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1957

STATE LEGISLATION
AFFECTING
THE REA PROGRAM

UNITED STATES DEPARTMENT OF AGRICULTURE
Rural Electrification Administration

1957 STATE LEGISLATION AFFECTING THE REA PROGRAMS

1957 Legislative Sessions. The legislatures of 45 States and the Territory of Alaska met in regular session in 1957. In 5 of these States special sessions were convened in addition to the regular session. The 3 States which did not convene are Kentucky, Mississippi, and Virginia. The Mississippi legislature has been called to meet in special session on November 4, 1957, and other special sessions are definitely or tentatively scheduled in the following States: Florida, Oregon (October 28, 1957), and Texas. There is a possibility that additional special sessions may be convened before the close of the year.

As of the date of preparation of this report the legislatures of 4 States--Delaware, Massachusetts, New Jersey, and Wisconsin--had not adjourned.

Scope of State Reports. The State reports summarize the legislative programs of borrowers insofar as they were made known to REA in response to inquiries made of their State organizations just prior to the convening of the 1957 sessions, and as they were developed and brought to the attention of REA during the legislative sessions. Throughout the sessions, all available sources were utilized to identify, out of more than 77,000 bills which were introduced, those dealing directly or indirectly with the REA programs. Copies of most bills so identified were obtained and analyzed, and their final disposition determined and recorded. The reports include all such bills classified according to whether they dealt with electrification or telephone or both, describe them briefly and indicate their disposition.

The reports are not intended as a definitive presentation of all relevant State legislation which was considered in 1957. They serve rather as notice of legislative developments in the fields covered. The bills themselves, particularly those which were enacted, should be examined to determine their effect upon borrowers' programs and activities.

Highlights. The following are the highlights of the 1957 legislative developments which concern the REA programs and borrowers.

ELECTRIFICATION

Amendment of Borrowers' Enabling Laws. Legislation to amend the laws governing the organization and operation of electrification borrowers was considered in four States: Georgia enacted amendments to its Electric Cooperative Corporation Act extending cooperative existence from 20 to 35 years, prescribing procedure for amendment and renewal of charters, and providing for local venue of actions against cooperatives. Maryland amended its Electric Cooperative Act in regard to directors' terms and officers. Nebraska amended the rural public power district law to permit directors to serve on the board of

another public power district. New Mexico enacted amendments to the Rural Electric Cooperative Act dealing with the adoption of by-laws, election of trustees, and method of districting. Other New Mexico bills relating to proxy voting and submission of initiative proposals by members failed. North Dakota amended and reenacted its Electric Cooperative Corporation Act, making the provisions of the Cooperative Association Act applicable to electric cooperatives. Five States, California, Colorado, Minnesota, Oregon, and Wisconsin, amended their statutes governing both electric and telephone cooperatives; Alabama rejected such amendatory legislation (see "Electrification and Telephone"--"Amendment of Cooperative Enabling Act", below).

Several States considered amendments of electric cooperative enabling acts dealing with protection of cooperative territory (see "Protection of Cooperative Territory" below).

Protection of Cooperative Territory. Legislation on this subject was enacted in Arkansas, Idaho, Texas, and Vermont; is pending in South Carolina; vetoed in Alaska and New Mexico; and failed in Alaska (a second bill), Florida, Kansas, Minnesota, North Dakota, Oklahoma, and Oregon. Details follow:

Enacted:

Arkansas - prohibits utility service in territory certificated to cooperatives; protects cooperative service in areas annexed to cities and towns; subjects cooperatives to commission regulation in such areas.

Idaho - prohibits duplication of existing service and extensions to within 1,000 feet of existing lines by both cooperatives and utilities with enforcement by court action; also provides for release of consumers upon court order on basis of inadequate service and unreasonable rates.

Texas - authorizes cooperatives to serve all consumers in annexed areas which they were serving at time of annexation; imposes limitations upon other urban services.

Vermont - prohibits municipal, cooperative, and private utilities from serving premises already served or which are nearer other facilities except on Public Service Commission finding of inadequate service or unreasonable rates.

Pending:

South Carolina - authorizes cooperatives to continue service in areas which lose their rural character and the exchange of facilities serving such areas for facilities in rural areas.

Vetoed:

Alaska - confirmed non-exclusive franchise for utility service within unincorporated area or incorporated area which had not granted franchise to another supplier.

New Mexico - prohibited unreasonable interference with cooperative facilities and gave cooperatives standing before the Public Service Commission to complain.

Failed:

Alaska - prohibited duplication of existing service and "tie-in" sales of utility service by municipal utilities.

Florida - authorized all utilities to continue service in annexed areas for a period of 30 years subject to franchise taxes and municipal regulation.

Kansas - prohibited issuance of dual certificates by Corporation Commission and provided for cancellation of existing certificates where not exercised.

Minnesota - authorized Commissioner of Agriculture to determine whether convenience and necessity exists for construction of electric utility facilities into areas served by electric cooperatives or not served at all.

North Dakota - one bill would have confined regulated utilities to municipal areas except with the consent of the cooperative or upon finding by the commission that cooperative cannot serve; another would have authorized cooperatives to apply to municipalities for authority to serve annexed areas.

Oklahoma - authorized continued service by cooperative in areas which were rural when first served but which are annexed to cities and towns having population in excess of 1,500.

Oregon - prohibited utilities from serving areas or premises located within 1,000 feet of existing facilities of other utilities except on order of Public Service Commissioner based on inadequate service or unreasonable rates.

Commission Regulation. An Arkansas bill authorizing the Public Service Commission to reallocate areas certificated to public or cooperative utilities where they fail to render electric service was withdrawn. A bill sponsored by borrowers in California amending the Public Utilities Code to empower the Public Utilities Commission to authorize electrical and plumbing installation loans failed. Legislation in New Mexico giving electric cooperatives the option to come within the Public Service Commission's jurisdiction and in South Dakota conferring jurisdiction to regulate electric utilities on the Public Service Commission failed of enactment. (See further proposals on this subject under heading "Electrification and Telephone".)

Taxation. Arizona rejected a Constitutional amendment to eliminate the tax exemption of power districts. Florida made subject to taxation publicly owned electric utility property located outside the county in which the operator is located. Idaho enacted legislation reducing tax assessments on cooperatives' property used for irrigation or drainage service. Nebraska rejected legislation which would have provided for taxation of public power district property in the event the present system of in lieu payments is held

to be unconstitutional. Oregon cooperatives were successful in securing legislation clarifying their statutory exemption from the 4 percent corporate excise tax. The Oregon legislature also amended the statute imposing a 2 percent gross earnings tax in lieu of ad valorem taxation on electric cooperative property by restricting its application to specifically enumerated property. Wyoming enacted property tax relief for electric cooperatives.

Electrical Licensing and/or Inspection. Legislation on this subject was enacted in six States--Florida (local legislation), Maine (study commission), Michigan (amendment of 1956 Act), Minnesota, Montana, and Oregon. Bills on this subject are pending in two States--Delaware and New Jersey and were rejected in eleven States--Colorado, Iowa, Missouri, Nebraska, New Hampshire, New Mexico, Oklahoma, South Dakota, Utah, Washington, and Wyoming.

Atomic Energy. Nine States enacted legislation relating to the development, regulation, or study of atomic energy development, as follows: Arkansas, Florida, Georgia, Illinois, Maine, New Jersey, Ohio, Tennessee, and Washington. Legislation on this subject failed to pass in the following nine States: Arizona, California, Colorado, Maryland, Michigan, Minnesota, New York, Pennsylvania, and Wisconsin. Bills dealing with control of radiation were considered and passed by Minnesota, North Dakota, South Dakota, and Alaska, and failed in California, Michigan, and New York.

State Power Authorities. Arizona rejected proposals for creation of a State Water Project Authority and to prohibit Arizona Power Authority from financing construction of generating facilities without prior legislative approval. Massachusetts again referred over to the next session of the legislature a bill dealing with the receipt and disposition of power from projects operated by the New York State Power Authority. Ohio, Pennsylvania, and Vermont all failed to pass legislation providing means for disposing of power from New York State Power Authority. The bill in Ohio would have designated the Public Utilities Commission to act as agent for procurement of electric energy from outside of the State. Pennsylvania would have established a Power Authority and Vermont would have authorized its Public Service Commission to construct and acquire transmission facilities for this purpose. In this connection the Vermont legislature failed to pass bills requiring legislative approval of contracts for disposition of power from the St. Lawrence project. A bill in Oregon to establish the State Power Commission failed but a constitutional amendment to empower the State to control, develop, and sell water, thermal, and nuclear power was adopted for submission to voters at the next general election. New York considered but failed to enact a number of bills dealing with Niagara development and State Power Authority functions, including a proposal for preference to public bodies and cooperatives in disposing of project power with provision for recapture of power to meet preference users' needs. Washington abolished the State Power Commission and created a Division of Power Resources in the Department of Conservation and Development.

Miscellaneous. Montana, North Dakota, and South Dakota memorialized Congress to investigate the subordination of power generation to navigation on the Missouri River. Maryland adopted a resolution calling for further study of

Potomac River development, including power. Minnesota rejected legislation establishing a commission to study power generation for the benefit of cooperatives and municipalities. Nebraska killed a bill authorizing cities and villages to regulate rates charged by public power districts. Colorado, Iowa, and Oklahoma enacted Ground Water Laws. Missouri rejected a bill establishing a State Water Resources Board. In Illinois the legislature authorized a committee to investigate electric rates in the southern third of the State. California amended the municipal utility district law to permit the issuance of revenue bonds for financing electric system improvements. However, bills in California dealing with hydroelectric power including a bill providing preference in disposition of power failed.

ELECTRIFICATION AND TELEPHONE

Amendment of Cooperative Enabling Act. Minnesota enacted several formal amendments to the General Cooperative Act and rejected an amendment taking the right of eminent domain from cooperatives. North Dakota, Oregon, and Wisconsin enacted revisions of the cooperative acts under which electric and telephone borrowers are organized. Colorado enacted legislation lowering quorum requirement for members' meetings and limiting proxy voting. California passed a bill to lower cooperative quorum requirements. Alabama rejected a bill to require a majority vote for sale of cooperative property in place of present requirement of two-thirds vote.

Regulation. Alaska rejected a proposal for a Public Service Commission with jurisdiction over electric and telephone utilities. Iowa and Texas killed bills to establish regulatory commissions with jurisdiction over electric and telephone utilities. In Iowa electric and telephone cooperatives would have been subject to regulation; in Texas they would have been exempt. Iowa also rejected a bill giving county boards of supervisors the same authority as cities to regulate utilities. Illinois rejected bills permitting the Commerce Commission to issue certificates to another utility where a utility fails to furnish service, restricting municipal utility service outside corporate limits, and providing for investigation of the Commission's operation. A California bill providing for the regulation of municipal utility districts failed. Maryland rejected legislation requiring commission approval before new construction is undertaken. New Mexico again rejected proposals to consolidate the functions of the Public Service Commission with those of the Corporation Commission.

Utility Relocation Reimbursement. Bills providing for reimbursement to utilities, including cooperatives, for utility relocation occasioned by Federal-aid highway construction appeared in 39 States. Sixteen States, Connecticut, Delaware, Florida, Georgia (for publicly owned utilities only), Idaho, Illinois, Maine, Minnesota, Montana, Nebraska, New Mexico, North Dakota, Oklahoma, Tennessee, Texas, and Utah enacted legislation dealing with this subject. It was vetoed in seven States, California, Colorado, Kansas, New York, Pennsylvania, Rhode Island, and Wyoming, and failed to pass in sixteen, Alabama, Arizona, Arkansas, Indiana, Iowa, Maryland, Michigan, Missouri, New Hampshire,

Ohio, Oregon, South Dakota, Vermont, Washington, West Virginia, and Wisconsin.

Uniform Unclaimed Property Act. Bills enacting this uniform act, affecting unclaimed utility deposits and dividends and distributions by cooperatives, were enacted in Oregon and Utah, and failed in Florida, Iowa, and Maryland.

Taxation. Utah legislation requiring cooperatives to file information returns for franchise taxes died. North Dakota killed a bill authorizing cities and villages to impose use and privilege taxes as compensation for franchises. A Nebraska bill imposing a retail sales tax on electricity, communications, etc. was killed. South Dakota bills taxing cooperative income and requiring distribution of margins failed.

Miscellaneous. The Uniform Commercial Code failed of adoption in California and Indiana. The Indiana legislature authorized a study of the Code. Laws regulating junk dealers were enacted in Minnesota and North Carolina, and failed in Arizona, Pennsylvania, and West Virginia.

TELEPHONE

Cooperative Enabling Act. Montana enacted an amendment to the Electric Cooperative Act to extend it to telephone corporations. Missouri passed a bill lowering the quorum requirements for telephone cooperative meetings. North Dakota amended and reenacted its Mutual Aid Corporation Act, making the provisions of the Cooperative Association Act applicable to telephone cooperatives organized thereunder. Five States, California, Colorado, Minnesota, Oregon, and Wisconsin, amended their statutes governing both electric and telephone cooperatives; Alabama rejected such amendatory legislation (see "Electrification and Telephone"--"Amendment of Cooperative Enabling Act" above).

Regulation. Nebraska passed a law clarifying commission power to regulate telephone rates and services. Oklahoma enacted legislation requiring telephone companies to secure certificates of convenience and necessity from Corporation Commission. Two States rejected legislation in this field--Iowa failed to pass bills providing for the regulation of telephone service by the Commerce Commission and for regulation of rates by cities and towns, and Texas rejected a proposal for regulation of rural telephone service by the Railroad Commission. (See further proposals on this subject under the heading "Electrification and Telephone" above.)

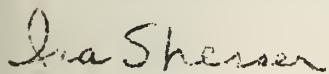
Taxation. Four States passed legislation dealing with taxation of rural telephone systems. Montana provided that classification of property of rural telephone cooperatives for tax purposes shall be the same as for rural electric cooperatives. Oregon established a 6 percent gross earnings tax for rural telephone systems. South Carolina provided for tax exemption of rural telephone cooperatives, and Utah passed a law relating to valuation of rural telephone cooperative property for tax purposes. In Maine a bill relating to telephone taxation was killed.

Telephone Service. An Arkansas bill to enforce service without discrimination failed. California rejected legislation which would have required telephone companies to establish exchange boundaries coinciding with political boundaries and to furnish equal service throughout the area. Illinois failed to pass a bill to hold a utility liable for damages after receiving notice of inadequate service. Minnesota bills authorizing continuance of service by two telephone exchanges serving same village and permitting the Commission to open up inadequately served areas failed. Oklahoma killed a bill requiring rendition of service upon petition or forfeiture.

Telephone Rates. Minnesota enacted a law requiring the commission in determining rates to give consideration to actual cost of property, prudent acquisition cost, current values, and other material or relevant factors. Arkansas adopted a resolution inquiring into intrastate telephone rates. Washington failed to adopt a similar resolution. Florida established a committee to investigate telephone companies in southwest Florida. Oregon rejected a resolution to investigate a local telephone company. In Massachusetts a bill to investigate telephone rates was referred to the next annual session. Although requested by the Governor, the New York legislature at both regular and special sessions rejected a bill requiring that telephone rates and charges be based on reasonable return on capital actually used.

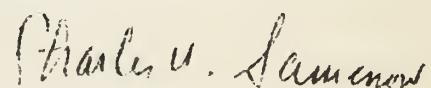
Party Line Telephones. Eight States, California, Connecticut, Idaho, Maryland, New Hampshire, North Dakota, Oregon, Rhode Island, and Alaska enacted laws making it a misdemeanor to refuse to relinquish telephone party lines in emergencies. In South Dakota the legislature passed this bill but the Governor vetoed it.

Miscellaneous. Michigan passed a bill relating to the terms of directors of telephone companies. Minnesota enacted a bill authorizing telephone companies organized after January 1, 1949, to charge a deposit fee not exceeding \$50. Pennsylvania enacted legislation authorizing corporations to extend their terms of existence and territories, amended the procedure for increasing corporation indebtedness, and prohibited unauthorized charging of telephone calls. Oklahoma rejected a bill requiring regulated telephone companies to adopt and use FCC's uniform system of accounts, and a bill providing a substantial penalty for divulging telephone messages. Tennessee legislation requiring the reporting of directory income and its inclusion for rate-making purposes failed. Massachusetts bills to subject directory advertising rates and publication of directories to commission regulation were referred to the next annual session. A Pennsylvania bill to limit to six the number of subscribers on a party line died. A New York bill requiring metering of local calls failed.



Ira Shesser

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Charles U. Samenow

1957 Alabama Legislation - Final Report
Session: May 7 to September 14, 1957

Legislative Program

Electrification

Although some consideration was given by the Alabama Rural Electric Association to legislation designed to protect electric cooperative consumers and territory by prohibiting duplication, none was introduced.

Telephone

No legislative program was developed by Alabama telephone borrowers.

Legislation Considered

Electrification

Enacted

License Tax on Hydroelectric Energy - Time for Payment - H.B. 230, passed House and Senate, awaiting Governor's approval, amends 18 Ala. Code 1940, Sec. 179, imposing a license or privilege tax of two-fifths of a mill per kilowatt hour of hydroelectric power on producers of such power, by advancing the date for payment thereof. (S.B. 200 was a companion bill.)

Failed

Municipal Utilities - Rates for Service Outside Corporate Limits - H.B. 310 and S.B. 228, both indefinitely postponed, would have authorized municipalities to charge higher rates for electric, water, gas, and other utility services rendered beyond their corporate limits.

- Duration of Existence of Boards - H.B. 311, indefinitely postponed, would have authorized utility boards to remain in existence beyond the period provided by the law creating them if revenues of such boards are earmarked for an uncompleted project.

Electrification and Telephone

Failed

Electric Cooperative Act - Amendment - Disposition of Property - H.B. 100, died in House, would have amended 18 Ala. Code, 1940, Sec. 51, relating to disposition of all or a substantial portion of an electric cooperative's property, by lowering the membership vote requirement from two-thirds to a majority of all members. (This bill was opposed by the Alabama Rural Electric Association.)

Utility Relocation - Reimbursement - H.B. 677 and S.B. 373, failed in their respective houses, would have provided for reimbursement by the State, with Federal funds provided in the Federal-aid Highway Act of 1956, of the costs of utility relocation necessitated by construction of any project on the Federal-aid primary or secondary systems or on the Interstate system, including extensions within urban areas.

Removal of Utility Facilities on Highway Rights-of-Way - Rental - H.B. 757 and S.B. 418, died in their respective houses, would have made unlawful the erection or maintenance and required the removal from State highway rights-of-way before October 1, 1957, of poles, wires, pipelines, cables, etc. used for the transmission of electricity, telephone messages, gas, oil, or other commodities, but provided for their continued presence upon payment of an annual rental based on recovering the cost of removal in 20 years.

Telephone

Enacted

License Tax on Intrastate Telephone Service - Time for Payment - H.B. 232, passed House and Senate, awaiting Governor's approval, amends 18 Ala. Code 1940, Sec. 182, imposing a license or privilege tax on intra-state service, by advancing the date of payment thereof. (S.B. 202 was a companion bill.)

Failed

Municipal Tax on Telephone Service - S.B. 206 and H.B. 369, died in their respective houses, would have authorized municipalities to levy a tax not to exceed 3 percent on telephone service rendered within their corporate limits, to be collected from subscribers.

Public Service Commission - Appeals - H.B. 979, passed House, died in Senate, and S.B. 529, died in Senate, would have provided for the hearing of appeals from the Public Service Commission by a special three judge court.

1957 Alaska Legislation - Final Report
Session: January 28 to March 29, 1957

Legislative Program

Electrification and Telephone

The Alaska Rural Electric Co-op. Association after consultation with AEA and review of legislation sponsored by the Association in previous sessions drafted bills covering the following subject matter:

1. Amendment of subsection Fourth of Section 16-1-35, ACLA 1949, to prohibit duplication of existing utility services by municipalities (see H.B. 195).
2. Confirm non-exclusive franchise rights within areas which have not granted franchises for utility service (see H.B. 196), and
3. Protect property rights in the event of incorporation, dissolution, and annexation of cities.

Legislation Considered

Electrification

Enacted

Public Utility Districts - Disposal of Property - S.B. 64, approved March 27, 1957, Chap. 123, amends Sec. 49-2-21 ACLA 1949, as amended, to provide that real property of public utility districts be disposed of in same manner as prescribed for municipalities in Sec. 16-1-31 ACLA 1949.

Radiation Protection Act - H.B. 56, as proved March 18, 1957, Chap. 66, enacts the Radiation Protection Act empowering the Alaska Department of Health to register and regulate all sources of radiation.

Electrification and Telephone

Enacted

Public Utility Districts - Grant of Easements - S.B. 117, approved March 27, 1957, Chap. 125, amends Sec. 49-2-21, ACLA 1949, as amended, by adding a paragraph authorizing the boards of public utility districts to grant easements for public utility purposes for not more than 20 years, subject to further renewals. (H.B. 182, same as S.B. 117, died in House.)

Trust Deeds - Sales - S.B. 99, approved March 28, 1957, Chap. 116, amends Sec. 22-5-2 ACLA 1949 governing procedure for sales after default under trust deed; adds Sec. 22-5-6 dealing with substitution of trustees; and Sec. 22-5-7 dealing with recordation of assignment of beneficial interest under or subordination of trust deeds.

Municipal Codes - Adoption - H.B. 204, approved March 28, 1957, Chap. 103, amends law authorizing incorporated cities to adopt codes by reference to include codes prepared by officers or agencies of the Territory of Alaska.

Department of Lands - H.B. 119, approved April 6, 1957, Chap. 184, establishes Department of Lands with provision for issuance of permits, rights-of-way and easements.

Business Corporation Law - H.B. 93, approved March 28, 1957, Chap. 126, makes a general revision of the business corporation law of Alaska.

Failed

Municipal Utility Service - H.B. 195, died in House, would have amended Sec. 16-1-35 (4th) ACLA 1949, to require that municipal utility service be offered non-residents at fair and just rates, forbid "tie-in" sales of utility service, and prohibit duplication of existing service. (This legislation was sponsored by the Alaska Rural Electric Coop. Assn.)

Utility Franchises - H.B. 196, passed House and Senate but pocket vetoed by Governor, April 2, 1957, would have confirmed non-exclusive franchise for electric, telephone, or other public utility service within unincorporated area, or incorporated area which has not granted franchise to other supplier. (This bill was sponsored by the Alaska Rural Electric Coop. Assn.)

Public Service Commission - S.B. 75, died in Senate, would have created the Public Service Commission of Alaska and defined its authority and duties including jurisdiction over electric and telephone utilities; applicability to cooperatives uncertain.

General Improvement Districts - S.B. 33, died in Senate, would have authorized establishment of General Improvement Districts with power to grant franchises to and regulate public utilities, and to provide utility service.

Eminent Domain - S.B. 43, passed Senate, died in House, would have amended Sec. 57-7-8 ACLA 1949 to provide that all eminent domain proceedings be brought in District Court with procedure as specified in Rule 71(A) Federal Rules of Civil Procedure; repeals Secs. 57-7-9-through 23 ACLA 1949.

Articles of Incorporation - Amendment - S.B. 19, passed Senate, died in House, related to procedure for amending articles of incorporation of business corporations.

Taxation - Study - H.B. 129, died in House, would have created a Legislative Tax Committee to study tax structure and submit report prior to next session of Legislature.

- Sales Tax - S.B. 46, died in Senate, would have levied a 2 percent sales tax on retail sales and a one percent tax on wholesale sales.

Telephone

Enacted

Party Line Telephones - Emergency Use - H.B. 203, approved March 28, 1957, Chap. 102, makes it a misdemeanor to refuse to relinquish the use of a party line telephone when needed for an emergency and requires notice of this law to be printed in all telephone directories.

1957 Arizona Legislation - Final Report
Session: January 14 to March 14, 1957

Legislative Program

Electrification and Telephone

No legislative program was undertaken by REA borrowers in Arizona.

Legislation Considered

Electrification

Failed

State Water Project Authority - H.B. 46 died in House committee, would have created the State Water Project Authority and authorized it to construct and operate the Glen-Bridge-Verde-Highline project for irrigation, power generation and other beneficial uses. The authority would have been given the power to issue revenue bonds for such construction; to organize irrigation and power districts; and to give preference to state agencies and non-profit organizations in sale of electric power.

Power and Water Districts - H.B. 282, died in House committee would have added Secs. 45-2201 to 45-2215, Ariz. Rev. Stats. to provide additional authority for power, electric and water districts to issue revenue bonds.

Arizona Power Authority - S.B. 172, died in Senate committee, would have amended Sec. 30-221, Ariz. Rev. Stats. to prohibit the power authority from issuing bonds to finance the acquisition or construction of any electric generating facilities without prior legislative approval.

Power and Electrical Districts - H.C.R. 6, died in House committee, proposed an amendment to Art. 13, Sec. 7 of the Arizona Constitution to remove power and electrical districts from status of political subdivision.

- H.C.R. 8, died in House committee, proposed an amendment to Art. 9, Sec. 2 of the Arizona Constitution to remove the tax exemption of property of power districts.

Atomic Energy - S.B. 202, died in Senate committee, would have created the Arizona Atomic Energy Commission consisting of five members appointed by the Governor and provided for the development and regulation of activities pertaining to the peaceful uses of atomic energy.

Electric Wire - Unauthorized Removal - H.B. 125 died in House committee would have amended Sec. 13-885, Ariz. Rev. Stats. which makes it a misdemeanor to remove, injure or sever telephone or telegraph wires, by adding electric or television wires.

Cities and Towns - Utility Facilities - H.B. 203, died in House committee, would have amended Sec. 9-516, Ariz. Rev. Stats. to provide that cities and towns may acquire public utility facilities rendering services within their boundaries as presently constituted or hereafter increased by annexation through use of eminent domain.

Colorado River Contract - H.B. 43, died in House committee, would have repealed the ratification of the Colorado River contract with the Secretary of the Interior relating to the storage and delivery of water from Lake Mead (Chapter 4, Laws 1944).

Colorado River Compact - H.B. 44, died in House committee, would have repealed the ratification of the Colorado River Compact by the State of Arizona (Chapter 5, Laws 1944).

Upper Colorado River Basin Compact - H.B. 54, died in House committee, would have repealed the ratification of the Upper Colorado River Basin Compact (Chapter 4, Laws 1949).

Electrification and Telephone

Failed

Corporation Commission - H.B. 124, died in House committee, would have created a three member corporation commission to be appointed by the Governor and prescribes qualifications for members (members of commission are presently elected).

- H.C.R. 10, died in House committee, would have proposed an amendment to Art. 15, Sec. 1 of the Arizona Constitution to provide that members of corporation commission be appointed by the Governor.

Utility Relocation - Reimbursement - S.B. 52, passed Senate, died in House, would have added a new section to Title 18, Chapter 1, Ariz. Rev. Stats., relating to state highways, by providing for reimbursement of the cost of relocation of utility facilities necessitated by Federal-aid highway projects.

Corporations - Directors' Terms - H.B. 239, died in House, would have amended the general corporation law by adding Sec. 10-273 Ariz. Rev. Stats. prohibiting the classification of trustees or directors of all corporations, including cooperatives, in such manner that their terms of office shall be longer than three years.

Junk Dealers - Licensing - S.B. 228, died in Senate committee, would have added Secs. 44-1631 to 44-1635, Ariz. Rev. Stats., providing for the regulation and licensing of junk dealers.

1957 Arkansas Legislation - Final Report
Session: January 14 to March 14, 1957

Legislative Program

Electrification

The Arkansas State Electric Cooperative, Inc. sponsored amendment of the Electric Cooperative Corporation Act, as amended by Act 85 of the 1955 session, dealing with cooperative service in rural areas which lose their rural character by inclusion within cities or towns having a population in excess of 2,500. Act 85, while authorizing continuation of such service, also provided that where the city or town was already being served by a regulated utility, cooperative members residing therein shall lose their membership and the right to receive cooperative service, and that the cooperative sell its facilities in such cases or exchange them for comparable facilities elsewhere, enforcement being entrusted to the Public Service Commission. Amendment of Act 85 was sought because of utility insistence on taking over such facilities by purchase and their refusal to exchange equivalent properties. The cooperative-sponsored legislation, as enacted, struck out the requirement that cooperatives sell or exchange their facilities in non-rural areas; authorized construction and extension of service in areas which lose their rural character subject to regulation by the Public Service Commission in such areas, and to local taxation; and prohibited service by other utilities in areas certificated to cooperatives (see H.B. 96, Act 103, below).

The State association also considered sponsoring legislation to amend Act 32 of the 1955 session which imposed restrictions on cooperative generation-transmission activities but put it aside in view of pending negotiations for an integrated generation-transmission system.

Telephone

No legislative program was developed by REA telephone borrowers in Arkansas.

Legislation Considered

Electrification

Enacted

Electric Cooperative Corporations - Service in Areas Which Lose Their "Rural" Character; Prohibition of Public Utility Service in Areas Certificated to Cooperatives - H.B. 96, approved

February 27, 1957, and effective June 13, 1957, Act 103, amends Sections 77-1102 (8) and 77-1131 of the Arkansas Statutes, (Secs. 2 (8) and 31 of the 1937 Electric Cooperative Corporation Act) as amended by Act 85 of the Acts of 1955, as follows: (1) retains the definition of "rural area" as revised in 1955 to apply the population test (2,500 inhabitants) as of the time a cooperative received its certificate and the 1955 language authorizing continued service in such area but eliminates a provision in the 1955 act, made unnecessary by other provisions in Act 103, authorizing continued service where an entire city, town, or village, served by a cooperative but in which no regulated utility is authorized to serve, increases its population beyond 2,500; and (2) authorizes a cooperative to continue and extend electric service in areas included within cities, towns, or villages under the same terms and conditions as those contained in the franchise or indeterminate permit of any other supplier in the city, town, or village subject to the jurisdiction of the Public Service Commission and subject to municipal taxes, charges, or fees applicable to other suppliers of electric service, with a proviso that cooperative retail rates shall be comparable with those of other suppliers in the city, town, or village, and with a further proviso, taken from the 1955 Act, recognizing the right of a municipality to acquire or construct electric facilities within its existing or future corporate limits. The bill also amends Section 73-240 of the Arkansas Statutes which imposes the requirement that utilities obtain certificates of public convenience and necessity before constructing, operating, or extending facilities by prohibiting public utilities from furnishing or offering to furnish retail electric service in any area heretofore allocated to a cooperative by the Public Service Commission.

Public Utilities - Service Disconnection Charge - S.B. 11, approved March 11, 1957, Act 275, prohibits any public utility furnishing water, gas, or electricity to the general public from making a charge for disconnecting service, revokes any authority for such charges granted by the Public Service Commission, and imposes criminal penalties for making such charges.

Atomic Energy - Coordination and Regulation - H.B. 583, approved March 27, 1957, Act 386, declares a policy of State cooperation in the civilian atomic energy program and of State regulation conforming as nearly as possible to the 1954 Federal Atomic Energy Act; prohibits nuclear operations except as licensed or permitted by AEC; directs various State departments to study need for laws or regulations dealing with nuclear operations; and authorizes the Governor to appoint a Coordinator of Atomic Development Activities to coordinate the studies.

Failed

Electric Cooperative Corporations - Service in Urban Areas - S.B. 363, withdrawn in Senate, would have amended Section 77-1131 of the Arkansas Statutes (Sec. 31 of the 1937 Electric Cooperative Corporation Act), as amended by Act 85 of 1955, by providing that the Public Service Commission assume supervisory jurisdiction over rural areas which are annexed to cities immediately upon such annexation, requiring the regulated utility and cooperative serving the area to negotiate for the sale or exchange of facilities and upon failure to agree within 30 days to request the Commission to determine disputed matters, such action to be completed within 60 days; and empowering the Commission to decide whether a regulated utility or a cooperative shall serve persons seeking service within the annexed area. The sponsors of this bill opposed H.B. 96 (see above) offering their bill as an effective means of making the facilities exchange provisions of Act 85 of 1955 workable.

Public Utilities - Electric Service to Unserved Persons - H.B. 393, passed House, defeated in Senate (14-13), would have provided that if any private, public, or cooperative electric company fails to furnish service to an unserved applicant in its allocated area within 90 days, the Public Service Commission shall order the company to surrender its right to serve such applicant and any surrounding unserved areas and reallocate such applicant and surrounding areas to another supplier provided that the company shall not be required to furnish any service if it cannot be amortized in 10 years. The bill was defeated in the Senate after amendment substituting a requirement that revenues derived from service to the applicant be sufficient to pay operating expenses and fixed charges on the investment.

Electrification and TelephoneEnacted

Income Tax - Cooperative Exemption - H.B. 69, approved March 13, 1957, Act 259, amends Section 84-2006 (6) of the Arkansas Statutes by providing tax exemption for "mutual or cooperative telephone companies or like organizations of a purely local character" (includes electric cooperatives) if 85 percent of their income consists solely of assessments, dues, and fees collected from members for the sole purpose of meeting losses and expenses. This supersedes the prior requirement that all of the cooperatives' income come from such sources.

Utility Relocation - Reimbursement - S. Res. 27, adopted March 11, 1957, requests the Highway Commission to pay the cost of relocating utility facilities occasioned by construction of highway projects on the interstate system, and in cases of hardship or other meritorious circumstances, requests the Commission, at its discretion, to pay such costs on Federal-aid primary or secondary systems. (See S.B. 380, under "Failed" below.)

Public Utilities - Investigation - H. Res. 12, adopted February 12, 1957, requests the Public Service Commission to assemble specified operating data for all electric and gas utilities in the State and for the 5 water utilities and 10 telephone utilities grossing the greatest revenue, and to report to the House not later than February 20, 1957. Additional data was requested by H. Res. 14, adopted February 13, 1957, and the time for report was extended to February 27 by H. Res. 15, adopted February 14, 1957. This resolution was adopted following defeat of H. Res. 2 (see under "Failed below").

Failed

Utility Relocation - Reimbursement - S.B. 380, failed in Senate, would have required public, private, and cooperative utilities to relocate their facilities on order of the Highway Commission whenever necessitated by construction of a Federal-aid primary or secondary or interstate system highway project with provision for complete reimbursement by the State out of Federal highway funds. (See S. Res. 27 under "Enacted" above.)

Public Utilities - Investigation, H. Res. 2, defeated in House on February 7, 1957, would have directed the House Public Service Committee to make an investigation of all questions and matters relating to the interest of any and all State officials, either elective or appointive, in regulated public utilities and to investigate the manner and method of establishing rates fixed by the Public Service Commission. (see H. Res. 12 under "Enacted" above.)

Public Service Commission - Reorganization - S. J. Res. 5, died in Senate, would have amended the Arkansas Constitution to create a Public Service Commission with the same powers and duties as exercised under existing law, to consist of 3 members appointed by the Governor with Senate consent to 9-year staggered terms; provided for removal by Governor or the Senate and prescribed method of proceeding; and provided that salaries of members and employees be fixed by General Assembly.

- Appeals - H.B. 29, withdrawn in House, dealt with appeals from decisions of the Public Service Commission.

- H.B. 207, died in House, would have amended Sec. 3, Act 308 of 1953 to provide that appeals from utility assessments by the Public Service Commission be filed in the circuit court of the county, as selected by the Commission, in which the taxpayer has property the assessment of which is protested.

Telephone

Enacted

Telephone Rates - Investigation - S. Res. 19, adopted February 27, 1957, requested the Public Service Commission to furnish the Senate a statement of its reasons why intrastate rate schedules exceed interstate rate schedules. (See S.B. 342 under "Failed" below.)

Failed

Telephone Rates - S.B. 342, withdrawn February 27, 1957, would have directed the Public Service Commission to prohibit telephone companies doing business in Arkansas from levying charges on long distance intrastate calls that exceed charges for interstate calls. (See S. Res. 19 under "Enacted" above.)

Telephone Service - H.B. 486, died in House Committee, would have required telephone companies to supply service within ten days of written demand, prohibited any special conditions or restrictions on service, and provided penalties for non-compliance.

1957 California Legislation - Final Report
Session: January 7 to June 12, 1957

Legislative Program

Electrification

The California Rural Electric Co-op. Assn. sought an amendment to the Public Utilities Code to give the Public Utilities Commission authority to approve the borrowing by REA borrowers of funds for financing acquisition and installation of electrical and plumbing appliances and equipment (REA Section 5 loans); (see S.B. 2664). The Sacramento Municipal Utility District (Calif. 35) sponsored legislation authorizing the District to issue revenue bonds to finance the expansion of its electric distribution facilities (see A.B. 3343).

Telephone

No legislative program was undertaken by REA borrowers in California.

Legislation Considered

Electrification

Enacted

Municipal Utility Districts - Electric System Improvements - A.B. 3343, approved July 8, 1957, Chap. 2237, adds Chap. 6.5 (Secs. 13071 to 13193) to Division 6 of the Public Utilities Code, relating to municipal utility districts to finance additions, extensions, and improvements to the electric distribution system located within the boundaries of the district. The act authorizes the issuance of up to \$10,000,000 in bonds which are limited to a term not exceeding 20 years from the date of their sale. (This bill was sponsored by the Sacramento Municipal Utility District which previously only had authority to issue general obligation bonds.)

- Revolving Funds - A.B. 2851, approved June 5, 1957, Chap. 840, amends Sec. 11892, Public Utilities Code, to increase from \$20,000 to \$30,000 the amount which may be carried in the revolving fund of a municipal utility district.

- Board Meetings - A.B. 1725, approved July 3, 1957, repeals Sec. 11906, Public Utilities Code, which provided that all sessions of the board, whether regular or special, be open to the public.

- Annexation of Territory - A.B. 1764,
approved June 1, 1957, Chap. 738, amends Sec. 13911 and adds Sec. 13912 to the Public Utilities Code, relating to the annexation of territory to municipal utility districts.

Mono County Public Utilities District - A.B. 3367, approved July 4, 1957, Chap. 1413, creates the Mono County Public Utility District and prescribes its powers and duties. Section 4 provides that the district shall have all powers and privileges granted a public utility district by Division 7 (Sec. 15501, et seq.) Public Utilities Code "and in addition may do all things necessary to providing electrical energy to consumers in the district."

Klamath River Basin Compact - S.B. 1991, approved April 17, 1957, Chap. 113, ratifies the Klamath River Basin Compact entered into by the States of California and Oregon, providing for the development and uses of the waters of the Klamath River, including generation of hydroelectric power.

Failed

Public Utilities Code - Loans for Appliance and Equipment Acquisition and Installation - S.B. 2664, passed Senate, died in Assembly committee, would have amended Sec. 817, Public Utilities Code, relating to the purposes for which public utilities may issue stocks, bonds, notes, and other evidences of indebtedness, by adding the following additional purpose "for the financing of the acquisition and installation by others of electrical and plumbing appliances and equipment to be used within the service area of the public utility." (This bill was sponsored by the California Statewide in order to make REA borrowers eligible for Section 5 loans from REA. The legislation was also supported by the California Grange but was opposed by the California State Chamber of Commerce, the State Banking Association, and public utilities.)

Department of Water Resources - Sale of Power - S.B. 2588, died in Senate and A.B. 4075, died in Assembly, would have amended Sec. 11626 of Water Code to require preference to public bodies and cooperatives in disposing of electric energy from projects controlled by Department of Water Resources, and to authorize construction or acquisition of transmission lines.

- A.B. 2651 died in Assembly, would have added Sec. 10005 to Water Code to require preference to public bodies and cooperatives in disposing of power developed at State projects.

Water Conservation and Hydroelectric Power - S.B. 528, died in Senate, would have added Part 7 to Water Code to provide for water conservation and hydroelectric power, by authorizing the formation of districts for hydroelectric development with surplus revenues going to State Water Project Development Fund for water conservation purposes.

- A.B. 1699, died in Assembly, would have added Chap. 5 (Sec. 12950, et. seq.) to Part 6 of Division 6 of the Water Code, relating to financial assistance to public districts for the construction of electric power distribution facilities.

- A.B. 1700, died in Assembly, would have added Chap. 12 (Sec. 1850, et. seq.) to Part 2 of Division 2 of the Water Code relating to the production and sale of hydroelectric power.

Atomic Energy - Development - A.B. 975, passed Assembly, died in Senate; A.B. 4017, died in Assembly; and S.B. 2625, died in Senate, related to the development and utilization of atomic energy and provided for a Coordinator of Atomic Development Activities to sponsor and coordinate activities of all State agencies in connection with peaceful uses of atomic energy.

- Radiation Protection - S.B. 654, passed Senate and Assembly, died in conference, and A.B. 4126, passed Assembly, died in Senate, would have added provisions to the Health and Safety Code creating Radiation Safety Commission to study and coordinate radiation protection activities.

Taxation - Electric Utilities - A.B. 394, died in Assembly, would have added Chap. 10.5 to Div. 3, Education Code, relating to tax payments by local public electric utilities.

Publicly Owned Utilities - PUC Jurisdiction - A. Const. Amend. 67, died in Assembly, would have proposed an amendment to Article XII of the California Constitution by adding Sec. 23b to give the Public Utilities Commission power to regulate publicly owned utilities.

Trinity River Project - Power Facilities - A.J.R. 22, died in Assembly, would have memorialized Congress to reject Secretary of Interior's recommendation that Pacific Gas & Electric Co. be permitted to construct and operate power facilities of Trinity River Project.

Feather River Project - A. Con. Res. 93, died in Assembly, would have directed the Joint Committee on Water Problems to secure a report from independent consultants on the financial feasibility of Feather River Project.

Electrification and Telephone

Enacted

Cooperative Corporations - Officers - A.B. 186, approved May 6, 1957, Chap. 276, amends Sec. 1205 of the Agricultural Code and Sec. 12601 of the Corporation Code, relating to officers of cooperative corporations. Sec. 12601 is amended to provide that if the cooperative employs a manager who is not a director, the directors may elect him vice president.

- Quorums for Meetings - A.B. 3876, approved July 4, 1957, Chap. 1449, amends Sec. 12701 of the Corporations Code, relating to quorum for meetings of shareholders of cooperative corporations by lowering same from 10 percent to 250 shareholders or 5 percent if lesser, unless by-laws require greater number or percentage.

Public Utilities - Dissolution - A.B. 1441, approved June 5, 1957, Chap. 818, adds Sec. 4662 to Corporation Code to provide for winding up and dissolution of public utility corporations.

Utilities in Freeways - A.B. 2746, approved July 10, 1957, Chap. 2355, amends Sec. 706, Streets and Highways Code, and A.B. 2747, approved July 10, 1957, Chap. 2356, amends Sec. 707, Streets and Highways Code, relating to suits involving agreement for relocation of utility facilities on freeways.

Utility Easements - S.B. 2502, approved May 30, 1957, Chap. 577, adds Sec. 50335 to the Government Code, authorizing the legislative agency of local bodies to grant easements over public lands for electric, telephone, etc. utility facilities.

Failed

Utility Relocation - State Highways - S.B. 1505, passed Senate and House but pocket vetoed by Governor, would have added Sec. 680.1 to the Streets and Highways Code, relating to the removal and relocation of utilities upon State highways and cancel loans made by the State to public utilities to finance cost of removal and relocation of utilities ordered moved from State Highways.

- Streets and Highways - A.B. 2548, died in Assembly, would have amended Sec. 680.5, Streets and Highways Code to provide that contracts for apportioning cost of relocating utility facilities may be made for all highways.

Utility Easements - Highways - S.B. 1167, died in Senate, would have added Sec. 838 to Streets and Highways Code to authorize reservation of utility easements in abandoned State highways.

Public Utilities - Rates - A.B. 3930, died in Assembly, would have amended Sec. 453 and added Sec. 727.5 to the Public Utilities Code relating to utility rates. Sec. 727.5 would have provided that the Commission shall in establishing rates not include as a factor thereof any expenditure for advertising purposes.

- S.B. 2183, passed Senate, died in Assembly, would have added Sec. 728.5 to the Public Utilities Code, relating to rates of public utilities to provide that the PUC shall not disallow any contract or other transaction between the utility and one or more of its directors or officers if the requirements of Sec. 820 of the Corporations Code are met and the PUC determines that fees and charges under such contract or transaction are reasonable.

- Certificates - S.B. 2188, passed Senate and House but pocket vetoed by Governor, would have amended Sec. 1001 Public Utilities Code to terminate certificates based on future necessity if service is not commenced within two years.

Non-Profit Corporations - A.B. 3758, died in Assembly, would have amended Sec. 9200 of the Corporation Code, relating to non-profit corporations.

Uniform Commercial Code - A.B. 1021, died in Assembly and S.B. 818, died in Senate, would have added Division 5 to the Civil Code to be known as the Uniform Commercial Code, relating to certain commercial transactions in or regarding personal property and contracts.

Telephone

Enacted

Party Line Telephones - Emergency Calls - A.B. 709, approved May 24, 1957, Chap. 533 adds Sec. 384 to the Penal Code, making it a misdemeanor to refuse to relinquish the use of a party line telephone when needed for an emergency call and requiring telephone directories to contain printed notice of the provisions of this act.

Telephone Companies - Privacy of Communications - S.B. 928, approved July 6, 1957, Chap 1899, adds Secs. 7905 and 7906 to the Public Utilities Code, relating to the interception of communications, by providing that the PUC shall issue regulations requiring telephone companies to maintain records of all instances where employees have discovered installations of devices for overhearing communications and authorizing the PUC to make regular inquiries concerning efforts of telephone companies to insure the privacy of communications over their systems.

Coin-Box Telephones - Fraudulent Use - S.B. 2417, approved July 8, 1957, Chap. 2096, amends Sec. 640a and adds Sec. 640b to the Penal Code making it a misdemeanor to use slugs or similar devices in coin-box telephones.

Failed

Telephone Companies - Exchange Boundaries - A.B. 3931, died in Assembly, would have added Sec. 463 to Public Utilities Code to require telephone companies to establish exchange boundaries coinciding with political boundaries and furnishing equal service to subscribers therein.

Telephone Lines - Construction - S.B. 974, died in Senate, would have amended Sec. 7901 of the Public Utilities Code relating to the construction of telephone and telegraph lines.

1957 Colorado Legislation - Final Report
Session: January 2 to April 1, 1957

Governor's Message

The following excerpt is from the January 8, 1957, inaugural address of Governor Stephen L. R. McNichols:

Public Utility Regulation

"The people gave the General Assembly, through a constitutional amendment in 1954, "all power to regulate the facilities, service and rates and charges therefor" of public utilities. The General Assembly helped to implement this control in 1955, so that for the first time in Colorado, the Public Utilities Commission now has effective power to regulate all utilities except those municipally owned, which are specifically exempted.

"This power is of great importance to the life and growth of the State. It affects directly every industry, and every resident. The Commission must be staffed adequately, at salaries commensurate with the responsibility, so that it can give proper consideration to its duties. The Commission must protect the rights of every household, business, and industry to adequate and efficient service at reasonable rates. At the same time it must recognize the rightful need of the utilities to have an opportunity to earn a fair return on existing investment, a return adequate to hold and attract competent management, and to attract the capital needed for growth.

"The Commission at the same time, must protect the people against any abuse of monopoly privileges, and seek to distribute the charges through the rate structures fairly among householders, commerce, industry, and agriculture.

"There are two things the General Assembly can do to help achieve these goals. The first is to remove the extraneous duties that now weigh upon the Commission and transfer them to agencies that might better exercise such duties.

"The second is the need to amend the 1955 law, which provided for a charge-back of 75% of the costs of regulation to the utilities. I recommend a 100% chargeback, to make such regulation fully self-supporting, and to reduce the drain upon the General Fund. The Commission can then seek the best qualified, fair and impartial staff in engineering, law, accounting, and economics, so that public utility regulations in Colorado will serve fully its functions. I shall ask the Commissioners to free themselves of some of their present duties by exercising their authority to appoint additional professional hearing officers who can help to prepare matters for review by the Commission. This will free the Commissioners to give the time now needed to plan and supervise the fast growing work of the Agency."

Legislative ProgramElectrification

The Colorado Rural Electric Association considered sponsoring legislation for protection of cooperative service areas. This subject was discussed at several meetings of the Legislative Committee where drafts of bills were reviewed. The Association requested and received advice and assistance on this matter from REA. After careful review, it was decided not to seek introduction of this legislation in the 1957 session of the legislature.

The Association also considered the possibility of introducing legislation to eliminate the requirement for Public Utilities Commission approval and collection of fees on rural electric cooperative borrowing to serve certificated territory. It was decided not to seek legislation on this subject.

Electrification and Telephone

The assistance of the Colorado Rural Electric Association was sought by other utility organizations in sponsoring legislation providing reimbursement for utility lines relocated as a result of Federal-aid highway construction (see S.B. 191 and H.B. 370). The Association did not take any action on this matter.

Legislation ConsideredElectrificationEnacted

Public Utilities Commission - Fees - H.B. 191, approved and effective April 22, 1957, amends Secs. 115-2-11, 115-2-13, 115-2-15 and 115-2-16, Colo. Rev. Stats. 1953, to provide for defraying all costs of administration of the public utility laws by the Public Utilities Commission (previously 75% of the administrative costs were paid by utilities subject to PUC jurisdiction).

Municipal Utilities - S.B. 51, approved and effective February 26, 1957 amends Sec. 139-32-1(34), Colo. Rev. Stats. 1953, relating to municipal water, gas and electric works by providing that municipalities purchasing or condemning the utility facilities of a franchise holder shall pay the fair market value (formerly actual market value) thereof. Where parties cannot agree on purchase price provision is made for submission to arbitration.

Ground Water Law - S.B. 113, approved and effective May 1, 1957, enacts the Colorado Ground Water Law relating to the production, distribution, regulation and use of underground water. It provides for the appointment by the Governor of an eight member Ground Water Commission and provides for regulation of well drilling by the state engineer.

Failed

Atomic Energy - S.B. 370, died in Senate, would have provided for coordinating development and regulatory activities relating to the peaceful uses of atomic energy.

Electrical Licensing - H.B. 138, killed in House, would have established a State Electrical Board of seven members appointed by the Governor, provided for inspection of electrical installations and licensing of master and journeymen electricians and electrical contractors.

Electrification and Telephone

Enacted

Cooperative Association Act - H.B. 322, approved and effective April 30, 1957, amends Sec. 31-25-3, Colo. Rev. Stats. 1953, relating to the quorum required for the election of directors or for amending the certificate of incorporation by reducing the quorum requirement for meetings of members of rural electrification and rural telephone cooperative associations from 25% to 10% and providing that no person shall vote more than three stockholders or members by proxy in addition to himself.

Failed

Utility Relocation - Reimbursement - S.B. 191, vetoed April 22, 1957, and H.B. 370, died in House, would have added Sec. 120-3-25 to Colo. Rev. Stats., 1953, granting the highway commission authority to order relocation of utility facilities in connection with Federal-aid highway projects and to pay the cost of such relocation.

Utility Overcharges - Escheat - S.B. 227, passed Senate, died in House, would have repealed Chap. 115, Article 8, Colo. Rev. Stats. 1953, providing for escheat of unclaimed utility overcharges.

1957 Connecticut Legislation - Final Report
Session: January 9 to June 5, 1957

Legislative Program

Electrification

Although the model Electric Cooperative Act was enacted in Connecticut in 1941 there have been no REA electric borrowers.

Telephone

No REA telephone borrowers.

Legislation Considered

Electrification and Telephone

Enacted

Utility Relocation - Reimbursement - H.B. 1657, approved June 19, 1957, Public Act 576, provides for reimbursement of utilities by the State for relocation of utility facilities located along highway right-of-way.

Utility Facilities - Malicious Damage - H.B. 757, approved May 28, 1957, Public Act 529, establishes penalties (fine or imprisonment) for any person who wilfully or maliciously damages public utility facilities.

Telephone

Enacted

Emergency Calls - Party Line Telephones - H.B. 1592, approved May 22, 1957, Public Act 375, provides penalty for any person who wilfully refuses to relinquish a telephone party line when needed for placing an emergency call and requires that notice of this provision be printed in all telephone directories.

1957 Delaware Legislation - Interim Report
Session: January 1 to
(Legislature adjourned from August 14, 1957 to January 6, 1958)

Legislative Program

Electrification and Telephone

No legislative program was undertaken by REA borrowers in Delaware.

Legislation Considered

Electrification

Pending

Electrical Examiners - S.B. 159, passed Senate, pending in House, creates State Board of Electrical Examiners, provides for regulation of electricians, establishment of standards for electrical installations and for inspection thereof.

Electrification and Telephone

Enacted

Utility Relocation - Reimbursement - S.B. 243, approved June 13, 1957, amends Section 132, Title 17, Delaware Code, by adding provisions authorizing the State Highway Department to reimburse public utilities for the cost of relocating facilities required by Federal-aid highway construction (S.B. 112, similar to S.B. 243, died in Senate).

Pending

Public Service Commission - S.B. 314, pending in Senate Judiciary Committee, amends Chapter 1, Title 26, Delaware Code, relating to the powers and duties of the Public Service Commission.

1957 Florida Legislation - Final Report
Session: April 2 to June 8, 1957

Legislative Program

Electrification and Telephone

The Florida REA Cooperatives Association sponsored legislation to authorize all utilities to continue service in annexed areas without obtaining a franchise but subject to franchise taxes and municipal regulation. (See S.B. 83 and H.B. 363.)

Legislation Considered

Electrification

Enacted

Florida Nuclear Development Commission - S.B. 418, approved May 24, 1957, Chap. 57-178, establishes the Florida Nuclear Development Commission as a permanent State agency, to coordinate all nuclear development activity and to promote same. (H.B. 766, same as S.B. 418, died in House.)

Nuclear Research - S.B. 176, approved June 16, 1957, Chap. 57-379, authorizes and appropriates funds to the Board of Control for construction of a nuclear service building and carrying on a program of nuclear studies and research at the University of Florida. (H.B. 196, same as S.B. 176, died in House.)

Taxation - Electric Utility Property - Publicly Owned - S.B. 268, approved June 20, 1957, Chap. 57-788, amends Sec. 192.06, Florida Statutes, to make subject to taxation publicly owned electric utility property located outside of county where owner is situated. (H.B. 655, same as S.B. 268, died in House.)

- Public Service Corporations - Gross Receipts - H.B. 669, law without approval June 29, 1957, Chap. 57-819, amends Sec. 203.01, Florida Statutes, relating to taxes upon gross receipts of public service corporations to provide that "gross receipts" shall not include payments for natural gas sold to public or private utilities, including municipal corporations and rural electric cooperative associations, either for resale or for use as fuel in the generation of electricity.

- Municipal - H.B. 803, law without approval June 4, 1957, Chap. 57-324, amends Sec. 167.431, subsec. (1), Florida Statutes, 1955, to exempt from municipal tax natural gas used in power generation. (S.B. 941, same as H.B. 803, died in Senate.)

Electrical Installations - Lake County - H.B. 2053, law without approval June 29, 1957, Chap. , empowers the county commissioners of Lake County (Fla. 12) to regulate electrical installations, building construction and adopt a safety and sanitary code regulating plumbing.

Electrical Contractors - Escambia County - H.B. 568, law without approval June 29, 1957, Chap. , creates board of electrical examiners in Escambia County (Fla. 22) for regulation of electrical contracting in unincorporated areas and provides for licensing of electrical contractors. (This bill was opposed by the Florida REA Cooperatives Assn.)

- Manatee County - H.B. 1993, law without approval June 29, 1957, Chap. , provides for the licensing and examination of electrical contractors in Manatee County (Fla. 26) engaging in business in the unincorporated areas of the county.

Electric Service - Annexed Area - City of Starke - S.B. 1351, law without approval June 29, 1957, Chap. , requires that a franchise be obtained from the City of Starke (Bradford County - Fla. 14) to supply electric service in annexed areas. (S.B. 867, same as S.B. 1351, died in House.)

Failed

Taxation - Electric Utility Property - Publicly Owned - S.B. 269, withdrawn from Senate, would have amended Sec. 192.52, Florida Statutes, relating to public property exempt from taxation by providing that publicly owned electric utility property located outside of the county where the owner is situated shall be subject to taxation by the county in which such property is located. (H.B. 656, same as S.B. 269, died in House.)

Power Lines - Operation of Cranes - H.B. 66, killed in House and S.B. 85, withdrawn from Senate would have prohibited operation of crane and derrick equipment within six feet of a power line having a voltage in excess of 750 volts without clearance from power line owner.

Utility Deposits - Payment of Interest - H.B. 193, died in House, would have required payment of 3 percent interest on deposits collected by cooperative, municipal, and commercial electric utilities for such time as deposit is retained. The State Railroad and Public Utilities Commission would have been authorized to enforce these provisions. (The bill was opposed by the Florida REA Cooperatives Assn.)

Orlando Utilities Commission - H.B. 1367, died in House, would authorize the Orlando Public Utilities Commission to have electric plants in Orange and Brevard Counties.

Electrification and Telephone

Enacted

Utility Relocation - Reimbursement - H.B. 574, approved May 16, 1957, Chap. 57-135, amends Sec. 338.19, Florida Statutes to provide for reimbursement of utilities for cost of relocating facilities due to Federal-aid highway construction. (S.B. 340, same as H.B. 574, withdrawn from Senate.) This legislation was supported by the Florida REA Cooperatives Assn.

Utilities - Use of County Roads - H.B. 337, approved June 20, 1957, Chap. 57-777, amends Sec. 125.42, Florida Statutes, relating to the use of county roads and highways by authorizing county commissioners to grant licenses for construction, operation, maintenance, etc. of electric, telephone, and other public utility lines along county highways and roads. In the event of widening, repair, or reconstruction of such road the licensee is required to move his lines at no cost to the county.

Failed

Utility Service - Municipal Annexation - S.B. 83, died in Senate, and H.B. 363, died in House, would have authorized continuance of service by electric cooperative, municipal and commercial utilities in unincorporated areas which are included within the limits of a municipality for 30 years from date of such inclusion, subject to payment of franchise taxes and to municipal regulation. The bills were amended in committee to limit the period to the same as that provided in any existing franchise to another supplier of such service, and to 15 years in municipalities operating their own facilities. (These bills were drafted by the Florida REA Cooperatives Assn. and sponsored jointly with commercial electric utilities. They are similar to legislation which failed of enactment at the 1955 session of the legislature.)

Escheat of Personal Property - S.B. 931, died in Senate and H.B. 332, died in House, would have provided for escheat to the State of Florida of personal property unclaimed for seven years or more. (These bills were opposed by the Florida REA Cooperatives Assn.)

Telephone

Enacted

Telephone Service - Southwest Florida - H. Res. 2141, adopted May 30, 1957, directs the Speaker of the House to appoint a committee of three House members to study and investigate telephone companies within the southwest area of Florida and to report to the 1959 session of the Legislature whether additional legislation is needed to improve telephone communication services within that area.

Public Service Corporations - Gross Receipts Tax - H.B. 670, law without approval June 29, 1957, Chap. 57-820, amends Sec. 203.011, Florida Statutes, relating to taxes upon gross receipts of public service corporations to provide that credits for payment of gross receipts taxes be extended to public utilities regulated by the Florida Railroad and Public Utilities Commission.

1957 Georgia Legislation - Final Report
Session: January 14 to February 22, 1957

Legislative Program

Electrification

The Georgia Electric Membership Corporation drafted and sponsored the introduction of legislation amending the Electric Membership Corporation Act in regard to (1) the method and procedure for renewal of charters of corporations created under the Act; (2) designating the jurisdiction and venue of actions against electric membership corporations organized under the Act; and (3) extending the time of corporate existence from 20 to 35 years. (See H.B. 479.) REA's comments and views on the draft proposal were furnished at the request of Robert D. Twinger, Counsel for the Ga. EMC. Consideration was also given to sponsorship of legislation to amend the definition of "rural area" as contained in the Electric Membership Corporation Act to permit continuation of cooperative service in areas which lose their rural character. At the request of the Georgia Electric Membership Corporation, a draft of proposed legislation on this subject was furnished by REA. However, it was decided not to seek enactment of the proposal at this session.

Telephone

No legislative program was undertaken by REA borrowers in Georgia.

Legislation Considered

Electrification

Enacted

Electric Membership Corporation Act - Amendment - H.B. 479, approved March 13, 1957, Act 461, amends the Electric Membership Corporation Act as follows: Sec. 34A-104 (1) is amended to add provisions that suits against the corporation may be brought only in the county where it has its principal office; Sec. 34A-104 (2) is amended to increase from 20 to 35 years the period of corporate existence; and (3) Secs. 34A-118 and 34A-119 are amended to include the method and procedure for renewal of charters. (This act was sponsored by the Georgia EMC.)

Nuclear Advisory Committee - H. Res. 24-50a, adopted February 15, 1957, Res. Act 17, creates the Georgia Nuclear Advisory Commission to be appointed by the Governor. The Commission is directed to make studies of the subject and recommend to the Legislature if legislation is necessary or advisable for Georgia.

Electrification and Telephone

Enacted

Utility Relocation - Advancement of Costs - H.B. 390, approved March 19, 1957, Act 515, authorizes the State Highway Department to assist municipalities, counties, and other political subdivisions in connection with the removal and relocation of utility facilities placed on State-aid rights-of-way by advancing the costs of such relocation where it appears that the municipality, county, or political subdivision does not find it feasible to finance such expense from other sources.

Public Utility Property - Damage - H.B. 226, approved March 13, 1957, Act 418, amends Sec. 26-3801, Georgia Code Ann., relating to interference with property of electric utility companies so as to extend its provisions to property of publicly owned utilities and adds Sec. 26-3805 making it a misdemeanor to interfere with property of communication systems.

Failed

Utility Relocation - Reimbursement - H.B. 611, died in House and S.B. 177, died in Senate, would have provided reimbursement for relocation of utility facilities when necessitated by Federal-aid highway projects.

1957 Idaho Legislation--Final Report
Session: January 7 to March 16, 1957

Legislative Program

Electrification

The Idaho Co-operative Utilities Association, Inc., undertook the following program: (a) to protect and stabilize the rural utility market areas (see S.B. 46); (b) to provide reimbursement for costs of utility line relocations made necessary by Federal-aid highway construction (see S.B. 107); and (c) to oppose enactment of any punitive tax legislation.

Telephone

No legislative program was undertaken by REA borrowers in Idaho.

Legislation Considered

Electrification

Enacted

Protection of Cooperative Territory - S.B. 46, approved March 5, 1957; effective May 16, 1957, Chap. 133, prohibits electric service by public utilities and electric cooperative associations to premises already receiving electrical service; provides for release of consumer by court order; prohibits electric service within 1,000 feet of lines of another supplier, and provides for court enforcement.

REA Cooperatives - Tax Reduction - S.B. 17, approved February 21, 1957, effective May 16, 1957, Chap. 67, amends Sec. 63-106, Idaho Code, relating to the reduction of tax assessments of property of electrical power companies pumping water for irrigation or drainage so as to include REA cooperatives.

Failed

Public Utilities - Assessments - S.B. 37, killed in Senate would have amended Sections 63-701, et. seq., Idaho Code, by including generating plants among the properties of public utilities to be assessed by the State Tax Commission and County Assessor.

- S.B. 310, died in Senate, would have amended Secs. 63-701, et. seq., Idaho Code, by including generating plants, transformers, and substations among the properties of public utilities to be assessed by the State Tax Commission and County Assessor.

- Electric Generating Companies - Tax. -

H.B. 20, died in Senate, would have amended Secs. 63-2701, Idaho Code, to provide that only electricity used within the State of Idaho in manufacturing, mining, milling, smelting, refining, and processing, shall be exempt from license tax imposed under this section.

Electrification and Telephone

Enacted

Utility Relocation - Reimbursement - S.B. 107, approved and effective March 16, 1957, Chap. 227, amends Sec. 40-120, Idaho Code to allow the Idaho Board of Highway Directors to make rules and regulations providing reimbursement of utilities for relocation of facilities in connection with Federal-aid highway projects.

Public Utilities Commission - Procedure - H.B. 201, approved March 1, 1957, effective May 16, 1957, Chap. 126, amends Sec. 61-626, Idaho Code, relating to procedure before Idaho Public Utilities Commission with respect to petitions for rehearing of an order of the Commission by providing for time limits for filing and acting on such petitions.

Failed

Public Utilities - Rates Collected Under Court Order - H.B. 187, died in Senate, would have amended Sec. 61-638, Idaho Code, to provide procedure to be followed by public utility in regard to the keeping of accounts and disposition of moneys collected under order permitting charging of higher rates pending final court review.

Telephone

Enacted

Party Lines - Emergency Calls - H.B. 36, approved and effective February 28, 1957, Chap. 104, makes it a misdemeanor to refuse to relinquish the use of a telephone party line, upon request, in an emergency or to fraudulently state the existence of an emergency in order to procure the use of such line.

1957 Illinois Legislation - Final Report
Session: January 9 to June 29, 1957

Legislative Program

Electrification and Telephone

No legislative program was undertaken by REA borrowers in Illinois.

Legislation Considered

Electrification

Enacted

Atomic Power Investigating Commission - S.B. 650, approved July 5, 1957, creates the Atomic Power Investigating Commission appointed by the Governor to consist of five members of the General Assembly, two members representing science, two members representing labor, two members representing industry, and one member representing insurance. The Commission is directed to make an investigation and study of the economic and social impact that the civilian uses of atomic power may have on the citizens of Illinois and to submit its report to the Governor and General Assembly prior to March 1, 1959. Note: The 1955 session of the General Assembly established a similar commission with instructions to file its report by March 1, 1957. (H.B. 1181, vetoed July 9, 1957, would have established a study commission to investigate the use, regulation, and transportation of nuclear materials and disposal of atomic waste.)

Investigation of Electric Rates - Southern Illinois - H. Res. 21, adopted March 5, 1957, establishes a committee of five members to investigate the cost of electricity and power in the southern third of the State. The committee was directed to report its finding and recommendations not later than May 15, 1957. (Hearings were held by this committee in Herrin, Ill., on April 26, and the Association of Illinois Electric Cooperatives had an observer present. A later hearing was scheduled to be held in Springfield, Ill.)

Failed

Municipal Utilities - Service Beyond Corporate Limits - S.B. 434, died in Senate, would have amended Section 10-3 and 55 of the Public Utilities Act to amend definition of "public utility" to limit municipal utility exemption to service within municipal limits, except sales for resale and to require a certificate for service rendered outside of its political or corporate limits.

Electric Public Utility Districts - H.B. 656, died in House, provided for the creation, establishment, operation, and maintenance of electric public utility districts, and gave them all powers to engage in the production, purchase, sale, and resale and distribution of electric energy within the district.

Electrification and Telephone

Enacted

Utility Relocation - Reimbursement - H.B. 1219, approved July 10, 1957, authorizes the Department of Public Works and Buildings to reimburse utilities for the cost of relocation of facilities necessitated by Federal-aid highway construction.

Public Utilities - Certificates - S.B. 435, approved July 5, 1957, amends certificate provisions of Public Utilities Act to authorize Commerce Commission to issue temporary emergency certificates without notice or hearing to assure maintenance of adequate service or to serve particular customers.

- Jurisdiction of Commerce Commission - S.B. 433, approved July 5, 1957, amends Public Utilities Act to give Commerce Commission jurisdiction over direct sales of interstate electric companies and pipelines to the extent permitted by the United States Constitution and decisions of the Supreme Court.

Eminent Domain - Taking Utility Property - H.B. 111, approved July 6, 1957, amends Sec. 2 of eminent domain act by prohibiting taking of property subject to jurisdiction of Commerce Commission without prior Commission approval.

Illinois Commerce Commission - Appeals - H.B. 1405, approved July 9, 1957, amends Sec. 68 of Public Utilities Act to provide that parties appealing a decision of the Illinois Commerce Commission shall furnish the Commission either a copy of the transcript of the evidence or enter into a stipulation that only certain questions are involved, and the transcript or stipulation is to be included in the record.

Failed

Public Utilities - Joint Use of Facilities - S.B. 431, died in Senate, would have amended Sec. 48 of Public Utilities Act to empower Commerce Commission to require joint use of utility facilities without present restriction to facilities "on, over or under any street or highway".

Investigations - Utility Rates - H.B. 901, died in House, would have created a joint legislative commission to investigate all public utility rates and report to next General Assembly.

- Illinois Commerce Commission - H.B. 594, died in House, would have created a joint legislative commission to investigate operations of Commerce Commission and all public utility rates and report to next General Assembly.

Utilities - Application for Service - H.B. 593, died in House, would have added Sec. 49b to the Public Utilities Act to require public utilities, without investment cost to user, to furnish service to any applicant within service area, and to authorize issuance of certificate to another utility from which applicant seeks service upon failure of first utility to serve within 6 months.

Utility Franchises - Cities and Villages - H.B. 356, died in House, would have amended Sec. 3-8 of the Revised Cities and Villages Act relating to utility franchises by limiting term thereof to unexpired term of village board trustee whose term has longest to run.

- Interstate Operations - H.B. 177, passed House, died in Senate, and H.B. 191, died in House, would have amended Sec. 28 of Public Utility Act to repeal the authority to grant a franchise to public utility companies owning or operating a public utility system situated partly in Illinois and partly in an adjoining State or States, to operate in Illinois.

Telephone

Enacted

Telephones - Use of Slugs - H.B. 158, approved May 17, 1957, prohibits the use of slugs and other unauthorized devices to operate coin box telephones, turnstiles or fare boxes.

- Theft of Coin - H.B. 159, approved May 17, 1957, prohibits insertion of various objects and substances into telephones to obtain coins therefrom.

Failed

Public Utilities - Inadequate Service - H.B. 591, died in House, would have amended Sec. 32 of Public Utilities Act to hold public utilities civilly liable for damages resulting from inadequate service after 12 hours notice of such inadequate service.

- Payment of Bills - H.B. 212, died in House, would have amended Sec. 32 of Public Utilities Act by limiting to 3 percent the reward for prompt payment or penalty for late payment of bills.

- Hearings on Rate Increases - H.B. 184, died in House, would have amended Sec. 64 of Public Utilities Act to provide that hearings on complaints concerning proposed rate increases be held in county where rate increase will affect consumers of utility service.

Illinois Commerce Commission - False Information - H.B. 37, died in House, would have amended Sec. 36 of Public Utilities Act to make it a misdemeanor to furnish the Illinois Commerce Commission with false information.

- Request for Rehearing - S.B. 52, passed Senate, died in House, would have amended Sec. 67 of Public Utilities Act to require Commerce Commission to act on petitions for rehearings on a specified number of days or appeals may be taken.

Utility Rates - Public Counselor - H.B. 280, died in House, would have added Sec. 3a to Public Utilities Act to authorize the Governor to appoint a public counselor who shall be entitled to appear in all hearings before the Illinois Commerce Commission on behalf of rate-payers, patrons, and the public.

1957 Indiana Legislation - Final Report
Session: January 10 to March 11 (15), 1957

Legislative Program

Electrification and Telephone

The Indiana Statewide Rural Electric Cooperative joined with utility organizations in Indiana in drafting and sponsoring legislation to provide reimbursement to utilities for costs of removal and relocation of facilities because of Federal-aid highway construction. (See H.B. 39.)

Legislation Considered

Electrification and telephone

Enacted

Public Service Commission - Judicial Review of Decisions - S.B. 300, approved and effective March 12, 1957, Chap. 189, establishes procedure to be followed in filing appeals from decisions, rulings, and orders of the Public Service Commission of Indiana to the Appellate Court of Indiana.

Uniform Commercial Code - Study - H.C.R. 17, approved March 15, 1957, Chap. 378, establishes a 30 member Uniform Commercial Code Study Commission to be selected by the Legislative Advisory Commission to study and recommend the adoption or rejection of the Uniform Commercial Code. Commission's report to be completed by October 31, 1958. (S.B. 108, to enact the Uniform Commercial Code was considered and killed in the Senate on February 21, 1957, by vote of 31 to 18. On February 25, 1957, the Senate reconsidered its action and passed the bill by vote of 27 to 20. The House failed to act on this bill.)

Engineers - Registration - S.B. 53, approved March 15, 1957, Chap. 320, effective July 1, 1957, amends act regulating the practice of professional engineering.

Corporations - Filing Fees - S.B. 378, approved March 13, 1957, Chap. 230, effective July 1, 1957, establishes fees to be paid to Secretary of State by domestic and foreign corporations, both for profit and not for profit.

Failed

Utility Relocation - Reimbursement - H.B. 39, passed House, died in Senate, would have provided that the State pay the cost of relocation of utility facilities necessitated by highway construction under Federal-aid program. (This bill was sponsored and supported by cooperatives and utilities jointly.)

Utility Line Inspection - H.B. 170, died in House, would have required utilities to inspect wires, cables, etc. on property or right-of-way accessible from any public highway, street or road every six months and file reports with Indiana Public Service Commission.

Utilities - Condemnation - H.B. 101, died in House, would have authorized certain corporations doing business in Indiana to condemn and appropriate land to carry on their public utility service.

Public Service Commission - Hearings - H.B. 534, died in House, would have authorized examiners of the Public Service Commission to conduct hearings.

1957 Iowa Legislation - Final Report
Session: January 14 to May 3 (9), 1957

Legislative Program

Electrification

The 1956 annual meeting of the Iowa Rural Electric Cooperative Association adopted the following resolution relating to its 1957 legislative program: "Be it resolved, that the Board of Directors and staff of this Association are authorized and instructed to be fully informed as to proposed legislation; to actively support appropriate modernization of existing law relative to franchises and electric transmission and distribution lines; to oppose the establishment of a State commission to regulate electric utilities; and with full authority to take appropriate action to safeguard the interests of the rural electric cooperatives in Iowa on any proposed legislation that may effect them".

Telephone

No legislative program was undertaken by REA borrowers in Iowa.

Legislation Considered

Electrification

Enacted

Eminent Domain - Entry on Land - H.F. 160, approved May 1, 1957, Chap. 240, adds to Sec. 489.14, Code 1954, provisions authorizing entry for survey purposes upon land proposed to be taken through eminent domain and used for the construction of a transmission line or other facility. The Iowa State commerce commission or the county board of supervisors of the county in which the land is situated shall issue a permit for such entry after the filing of a written request and posting of bond. (The IRECA supported this bill. One of the bill's sponsors was Albert Lund, a director of the State association. The explanatory statement accompanying the bill indicated that securing permission to enter upon the land and determining the amount of land and the location to place the required facilities would in many instances lessen the amount of land to be taken.)

Water Resources Conservation - H.F. 553, approved May 1, 1957, Chap. 229, relates to the conservation, protection, development, use, and regulation of the water resources of Iowa. Amends and adds to Sec. 445 A.1 et. seq. provisions regulating and controlling the use of the water resources of the State.

Failed

Transmission Line - Franchise Renewal - H.F. 67, passed House, died in Senate would have amended Chap. 489, Code 1954, relating to procedure for obtaining permission to erect, maintain, and operate electric transmission lines on public property. The bill would have codified the existing practice of the State commerce commission with respect to the granting of certificates of authority to make improvements on existing transmission lines and authorized the commission to prescribe reasonable rules and regulations for securing such certificates. The bill would have also legalized all certificates previously granted and permitted the commission to renew an existing franchise upon the filing of a petition with the commission without the necessity of notice and hearing.

Electricians Licensing - Municipalities - S.F. 207, passed Senate, died in House, and H.F. 263, died in House, would have amended Sec. 368.6, Subsec. (2), Code 1954, providing for the licensing and examination of electricians by a municipality.

Hydroelectric Plants - Construction Permits - S.F. 427, died in Senate, would have amended Sec. 111.4, Code 1954, to remove requirement that hydroelectric plants obtain construction permits from the conservation commission.

Commerce Commission - S.F. 90, died in Senate, would have provided for an appointive instead of an elected Iowa State Commerce Commission.

Electrification and TelephoneEnacted

Utility Easements - S.F. 356, approved April 17, 1957, Chap. 198, amends Sec. 409.9, Code 1954, relating to encumbrances on platted areas to allow property to be platted without requiring public utility companies to release their easements before platting. (H.F. 402, same as S.F. 356, died in House.)

Eminent Domain - H.F. 330, approved May 14, 1957, Chap. 239, amends Sec. 472.14, Code 1954, relating to eminent domain procedure to permit dividing of damages resulting from land condemnation into two parts--value of land sought to be condemned and the consequential damages resulting from such condemnation. (S.F. 287, same as H.F. 330, died in Senate.)

Failed

Utility Relocation - Reimbursement - H.F. 230, passed House, killed in Senate, and S.F. 188, died in Senate, would have provided for reimbursement to utilities for nonbetterment costs associated with relocation of facilities occasioned by Federal-aid highway projects. (This legislation was supported by the IRECA.)

Public Service Commission - S.F. 76, died in Senate, and H.F. 172, died in House, would have created the Iowa Public Service Commission, provided for the regulation of utilities, and abolished the Iowa State commerce commission. S.F. 76 would have specifically subjected electric and telephone cooperatives to the jurisdiction of the Commission. H.F. 172 would have excluded cooperatives from the category of public utilities but required that they obtain certificates of convenience and necessity. Both bills would have given cooperatives standing to complain to the Commission concerning unreasonable interference with or duplication of facilities. (The State association opposed this legislation and its representatives testified against these bills at the joint hearings held by the Senate and House Public Utilities Committees on February 7. The IRECA adopted the following resolution: "Be it resolved, that the Iowa Rural Electric Cooperative Association, representing the self-regulated rural electric cooperatives of Iowa, express itself as opposed to Senate File 76 and House File 172 as introduced in the present Iowa Legislature, and suggests that the objects of the proposed bills to regulate rates and service of investor-owned, non-self-regulated, profit power companies can be accomplished by amendment to the present Commerce Commission laws. Therefore, the rural electric co-operatives of Iowa express their opposition to both Senate File 76 and House File 172.")

Commerce Commission - Jurisdiction - H.F. 336, killed in House, and S.F. 340, died in Senate, would have authorized the Iowa State Commerce Commission to resolve controversies between public utilities or common carriers and cities or towns concerning rates, quality of service, and other matters. (This bill was not opposed by the IRECA because only a few of the distribution cooperatives would have been affected and then only with respect to rates and services within a town.)

Cooperative Associations - Absentee Ballots - H.F. 258, died in House, would have amended Sec. 497.16, Code 1954, to eliminate the requirement that absentee ballots cast by cooperative members be signed.

Unclaimed Property Act - S.F. 332, died in Senate, and H.F. 297, died in House, would have enacted the Uniform Disposition of Unclaimed Property Act with some minor modifications. The act contains the usual provisions dealing with utility deposits and refunds and with cooperative dividends and distributions.

Public Utilities - County Regulation - H.F. 524, died in House, would have amended Sec. 332.3, Code 1954, to give county boards of supervisors same authority as cities in regulating utilities.

Telephone

Failed:

Regulation of Telephone Companies - Commerce Commission - H.F. 523, killed in House committee, would have provided for the regulation of telephone and telegraph companies by the Iowa State commerce commission.

- Cities and Towns - H.F. 517, killed in House committee, would have authorized cities and towns to regulate rates charged by telephone companies.

Municipal Telephone Systems - H.F. 475, killed in House committee, would have authorized cities and towns to purchase, establish, and operate municipal telephone or other communication systems.

1957 Kansas Legislation - Final Report
Session: January 8 to April 8, 1957

Legislative Program

Electrification

The Kansas Electric Cooperatives sponsored legislation to prohibit the issuance by the State Corporation Commission of dual or overlapping certificates of convenience and necessity to electric utilities (See H.B. 115, below).

Telephone

No legislative program was undertaken by REA borrowers in Kansas.

Legislation Considered

Electrification

Failed

Certificates of Convenience and Necessity - H.B. 115, passed House, killed in Senate committee, would have prohibited the issuance of dual or overlapping certificates of convenience and necessity, by the State Corporation Commission to any public utility, authorizing the production, transmission, delivery or furnishing of electric light or power. The bill provided that upon application of the public utility presently serving an area the commission cancel any other existing certificate for such area. After being amended in the House to exempt transmission lines carrying wholesale power over or into the certificated area, it was passed on March 4 by vote of 87 to 3. The Senate referred it to the Public Utilities Committee which voted to table the bill. In its place the committee reported out a concurrent resolution directing a study of overlapping certificates. (See S.C.R. 26, below).

- S.C.R. 26, passed

Senate April 3, killed in House, would have directed the Kansas Legislative Council to make a study, report and recommendation concerning the issuance of dual or overlapping certificates of convenience and necessity by the Corporation Commission to electric public utilities and regulation of municipal service outside of such municipalities.

Utilities - Safety Regulation - H.B. 357, killed in House committee would have provided for safety regulation in certain utilities, including electric utilities, by the State Labor Commissioner. The bill authorized the commissioner to inspect the plant and operations of a utility system; directed that notice be given of any unsafe conditions; and provided penalties for failure to correct such conditions.

Electrification and Telephone

Enacted

Public Utilities - Regulatory Costs - S.B. 426, approved April 8, 1957, Chap. 351, effective June 29, 1957, amends Sec. 66-1503, General Statutes of 1949, relating to the regulation of public utilities and common carriers and establishing means for payment of certain costs and expenses in connection with such regulation, by increasing from \$150,000 to \$200,000 the total amount assessed against regulated utilities and providing for the crediting of 20% of such amount to the general fund of the state.

Failed

Utility Relocation - Reimbursement - H.B. 450, vetoed April 8, 1957, would have authorized the State Highway Commission to reimburse utilities for costs of relocation of utility facilities made necessary by highway construction.

Telephone

Enacted

Mutual Telephone Companies - Dissolution - H.B. 170, approved April 6, 1957, Chap. 147, effective June 29, 1957, amends Sec. 17-1516, General Statutes of 1949, relating to the dissolution of certain mutual telephone companies, by making this section applicable to companies organized prior to 1915 (previously 1905). (It is reported that this legislation was sought by a telephone company which wished to dissolve and sell their property and which could not get enough stockholders together to hold a meeting for this purpose.)

1957 Kentucky Legislation

The Kentucky Legislature meets in regular session in the even numbered years. No session was held in 1957.

Miss. - 1

1957 Mississippi Legislation

The Mississippi Legislature meets in regular session in the even numbered years. No. session was held in 1957.

A special session of the Legislature is scheduled to convene on November 4, 1957. The session is limited to consideration of subjects listed in the Governor's call plus any additional matters submitted.



1957 Louisiana Legislation - Final Report
Session: May 13 to June 11, 1957

NOTE: The regular session of the Louisiana legislature convening in odd numbered years is limited in length to 30 days and restricted in subject matter to consideration of budgetary and fiscal matters.

Legislative Program

Electrification and Telephone

No legislative program was undertaken by REA borrowers in Louisiana.

Legislation Considered

No legislation of interest to the REA electrification or telephone programs was noted.

* * * * *

NOTE: The 1956 session of the Legislature adopted a constitutional amendment to increase the membership of the Public Service Commission from 3 to 5 members and redistrict the State to 5 districts with one member to be elected from each district.

At the election held on November 6, 1956, this amendment was defeated.

1957 Maine Legislation - Final Report
Session: January 2 to May 29 (30), 1957

Governor's Message

The following excerpt is from the January 3, 1957, message of Governor Edmund S. Muskie to the Maine legislature:

"The question of utility rates is one which, biennially, for several years, has attracted widespread public interest, and rightly so. They affect the household budget of every citizen and the competitive position of our industries.

"It is clear that, whatever the rate statute may be, utility companies must be provided with sufficient revenues to perform their duty to the public, to operate successfully, to maintain their financial integrity, and to attract capital at a reasonable rate. To set a lower standard than this would be to deprive ourselves of the quality of service which we ought to have.

"At the same time, the consumer has a right to expect that the Public Utilities Commission has the authority to fix minimum rates consistent with the foregoing. The present rate statute imposes a formula upon the Commission in its determination of the value of a utility's investment requiring it to give consideration to the 'current value' of its properties as opposed to its actual investment. In times of inflation, this requirement tends to permit a utility to obtain a return on money not actually invested. Moreover, the Commission, which cannot compete with private utilities in the recruitment of trained technical staff, is confronted with the uncertain and cumbersome administrative task of determining reproduction cost and other factors which are matters of opinion and not subject to exact, factual verification.

"For these reasons, I recommend that the rate statute be amended to provide an exact accounting rate base which will give due weight to the utility's prudent investment. I firmly believe that the requirements of the utility and the consumer's interest can both be safeguarded under such a statute."

Legislative Program

Electrification

Electric consumers in the towns of Rangeley and Eustis and surrounding areas, because of unsatisfactory service, sponsored legislation to establish a light and power district for the area which would have authority to purchase the existing electric plants and make needed improvements in the systems with REA financing (see H. 907).

Telephone

No legislative program was undertaken by REA borrowers in Maine.

Legislation Considered

Electrification

Enacted

Rangeley and Eustis Light and Power District - H. 907, approved May 24, 1957, Chap. 167, P. and S. Law, creates the Rangeley and Eustis Light and Power District in Franklin County, Maine. The district which is subject to the jurisdiction of the Public Utilities Commission is authorized to generate and distribute electric energy, to assist persons in wiring their premises, to construct, purchase, lease, maintain, operate, etc. generation plants and distribution systems, to borrow money and issue notes and bonds, etc. The district is authorized to acquire the property and franchises of the Oquossoc Light and Power Company and the Stratton Light and Power Company. The act is to take effect "90 days after the adjournment of the Legislature, only for the purpose of permitting its submission to the legal voters of each of said towns of Rangeley and Eustis at a special meeting to be called and held for the purpose; provided, however, that neither of said meetings shall be called and held until such time as the Rural Electrification Administration of the United States Department of Agriculture shall have made a full and complete engineering survey and economic study of the feasibility of said project, and the results of said study and survey shall have been made available to the legal voters of said towns".

Atomic Energy - Regulation - S. 478, approved May 2, 1957, Chap. 210, amends Chap. 52-A, 1954 Revised Statutes of Maine, relating to the peaceful uses of atomic energy, to define the term "source material" and to authorize State agencies to cooperate or enter into agreements with the Federal Government in connection with activities relating to atomic energy.

Electricians Licensing - Study - H. 1102, adopted May 24, 1957, requests the Legislative Research Committee to study laws relating to electricians and plumbers with special regard to provisions prohibiting apprentices from performing work except under the employment and supervision of master electricians and plumbers. The Committee is requested to study the impact of such laws on small towns. Report to be submitted to the next legislature.

Failed

Sales Tax - H. 986, died in House, would have increased sales tax but provided exemption on water, fuel, and electricity for domestic use.

Electricians Licensing - S. 454, died in Senate, and H. 476, withdrawn from House, would have revised statutes relating to licensing of electricians.

Electrification and Telephone

Enacted

Utility Relocation - Reimbursement - S. 385, approved May 29, 1957, Chap. 378, authorizes the State Highway Commission to reimburse utilities for the cost of relocating facilities occasioned by Federal-aid highway construction.

Public Utilities - Rates - Valuation of Property - H. 186, approved May 29, 1957, Chap. 400, amends Secs. 17 and 18, Chap. 44, 1954 Revised Statutes of Maine, relating to facilities furnished by public utilities for rate making purposes. Sec. 17 is amended by addition of language directing the Maine Public Utilities Commission to making a determination of just and reasonable rates to "provide such revenues to the utility as may be required to perform its public service and to attract necessary capital on just and reasonable terms". Sec. 18 relating to valuation of property for fixing rates is amended by providing that in fixing reasonable value of utility property the Commission in considering various factors "shall not include current value". (H. 141, similar to H. 186, withdrawn from House. S. 490, similar to H. 186, withdrawn from Senate.)

Failed

Public Utilities - Rates - H. 1027, died in House, related to proposed rate charges by public utilities and suspension thereof pending hearing.

- Charges - H. 1028, died in House, related to reasonable and just charges by public utilities.

- Property Schedule - S. 187, died in Senate, would have directed public utilities to file schedule of property valuation with municipal assessors.

- Non-utility Business - S. 276, died in Senate, would have regulated public utilities engaged in non-utility business.

Telephone

Failed

Telephone Companies - Taxation - H. 518, died in House, related to taxation of telephone and telegraph companies.

1957 Maryland Legislation - Final Report
Session: January 2 to April 2, 1957

Legislative Program

Electrification

Choptank Electric Cooperative, Inc. sponsored legislation to amend provisions of the Maryland Electric Cooperative Act dealing with staggered teams for directors and making it unnecessary for the secretary and treasurer to be directors. REA was consulted and its views and comments on this legislation were obtained prior to introduction. (See H.B. 495.)

Telephone

No legislative program was undertaken by REA borrowers in Maryland.

Legislation Considered

Electrification

Enacted

Electric Cooperative Act - Election of Directors - H.B. 495, approved April 10, 1957, Chap. 601, amends Secs. 364 (c) and 366, Article 23, Ann. Code of Md., relating to directors and officers of Electric Cooperatives by providing for the election of three classes of directors (instead of two classes); removing the requirement that the secretary and treasurer be directors, and permitting the combining of these two offices. (This bill was sponsored by Choptank Electric Cooperative, Inc.)

Potomac River Basin - Multiple Purpose Development - H.J. Res. 44, approved April 10, 1957, Res. 32, provides for adoption by the General Assembly of the recommendation of the Legislative Conference on the Potomac Basin that the Conference be continued as a permanent group to carry on further study of the problems of the Potomac River, including power development. The Corps of Engineers is requested to expedite re-survey of the Potomac River Basin, and all other Federal agencies concerned are urged to expedite their work and coordinate their planning with the Corps of Engineers.

Failed

Atomic Development - Coordination - S.B. 437, died in Senate, would have created the position of coordinator of atomic development and provided for coordinating activities of existing departments and agencies in the study and development of atomic energy for peaceful purposes.

Electrification and Telephone

Failed

Utility Relocation - Reimbursement - S.B. 466, passed Senate, died in House, would have required the State Roads Commission to pay the cost of relocating or removing publicly, privately, or cooperatively owned utility facilities necessitated by Federal-aid highway construction.

Public Service Commission - Approval of Utility Construction - S.B. 389, died in Senate, would have added Sec. 23A to Art. 78, Ann. Code of Md. to require approval by Public Service Commission of the construction of any new plant, or the expansion of any existing plant, equipment, property or facility by public service companies.

- Judicial Review of Orders - S.B. 579, died in Senate, would have provided for judicial review of a Public Service Commission order in any county in which operations are carried on by a public service company rather than in county where principal office is located.

Unclaimed Property Act - H.B. 78, passed House, died in Senate, would have enacted the Uniform Disposition of Unclaimed Property Act which includes provisions for escheat of unclaimed utility deposits and refunds and unclaimed cooperative dividends and distributions.

Telephone

Enacted

Emergency Calls - Party Line Telephones - H.B. 70, approved February 13, 1957, Chap. 58, adds Sec. 629 A to Article 27, Ann. Code of Md., making it a misdemeanor to refuse to relinquish a telephone party line when needed for an emergency call and requiring that notice of these provisions be printed in all telephone directors.

1957 Massachusetts Legislation - Interim Report
Session: January 2 to

(The 1957 session of the Massachusetts General Court was still in session on September 18, 1957, the date on which this report was prepared. Upon adjournment a final report will be distributed.)

Legislative Program

Electrification

No REA borrowers.

Telephone

No legislative program was undertaken by REA borrower.

Legislation Considered

Electrification

Failed

State Power Authority - S. 127, referred to next annual session, would create the Massachusetts State Power Authority and authorize and direct it to: 1. conduct a study of the availability of electric energy including atomic or other sources, and the manner best suited to make such energy available to the people of the State, and take steps necessary to see that transmission and wheeling arrangements are available to public and private systems; 2. cooperate, negotiate, and contract with agencies of the United States, other States, and the Dominion of Canada, as well as public and private agencies, for the purpose of promoting the purposes of the act; and 3. negotiate and contract for the acquisition, transmission, and distribution of electric energy within the State.

Electric Appliance - Sale by Utility Prohibited - H. 1662, referred to next annual session would prohibit electric and gas companies from engaging in the business of selling or leasing all types of electric and gas appliances.

Electrical Works - Supervision - H. 1259, referred to next annual session, would add Chapter 142A to the General Laws, providing for supervision of outside electrical workers, linemen, cable splicers, operators, metermen, and station electricians.

Electrical Examiners Board - H. 1946, referred to next annual session, would amend Sec. 32, Chapt. 13, General Laws, relating to the membership of the Board of State Examiners of Electricians.

Electrification and TelephoneFailed

Department of Public Utilities - Hearings - H. 911 and H. 1948, referred to next annual session, would require the office of the attorney general to represent the public at all hearings on petitions by public utilities before the department of public utilities.

- H. 2142, referred to next annual session, would amend Sec. 4A, Chap. 25, General Laws, to require that upon request of 20 customers of a utility, a public hearing ordered by the Department of Public Utilities to be held in connection with rate changes shall be held in the area affected.

Public Utilities - Discontinue Service - H. 551 and H. 2429, referred to next annual session, would require all public utilities to secure an order from the district court before discontinuing service.

- Advertising - H. 2428, referred to next annual session, would add Sec. 34A to Chap. 93, General Laws, to prohibit public utility corporations from advertising unless the copy format and the cost of such advertising is first approved by the Department of Public Utilities.

TelephoneFailed

Telephone Rates - Investigation - H. 2141, referred to next annual session, would provide for appointment of a special commission to investigate and study telephone rates in the Commonwealth.

Telephone Directories - H. 2143, referred to next annual session, would authorize the department of public utilities to set the rates for advertisements in telephone directories.

- H. 2430, referred to next annual session, would provide that no extra charges be made for bold type listings in alphabetical telephone directories.

- H. 2431, referred to next annual session, would add Sec. 15D to Chap. 166, General Laws, providing that persons or companies publishing a telephone directory shall advise a subscriber by letter, before publication, acknowledging his subscription and advising as to the content and cost.

1957 Michigan Legislation - Final Report
Session: January 9 to June 27, 1957

Legislative Program

Electrification

No legislative program was undertaken by REA borrowers in Michigan. Several members of the Michigan Rural Electric Cooperation Association have shown interest in the possibility of developing legislation to protect cooperative service areas from encroachment by other utilities. REA furnished the Association background information on this matter and advised them concerning legislative activities in other States in this field.

Telephone

No legislative program was undertaken by REA borrowers in Michigan.

Legislation Considered

Electrification

Enacted

Electrical Administrative Board - H.B. 254, approved and effective June 4, 1957, Public Act 205, amends various sections of Act 217 of the Public Acts of 1956 creating the Electrical Administrative Board to provide for reference to the 1956 edition of the national electrical code; relates to membership of board; requires electrical installations to be in conformity with ordinances, rules, and regulations of political subdivisions, which are not in conflict with act; clarifies power of municipalities to license electricians and provides that townships of less than 5,000 (now 7,500) population are exempted unless they elect to be covered.

Failed

Electrical Administrative Board - S.B. 1199, died in Senate, would have amended Act 217 of the Public Acts of 1956 creating the Electrical Administrative Board to authorize boards of supervisors of any county to adopt ordinances providing for minimum standards for electrical wiring and installation.

Atomic Energy Commission - H.B. 146, died in House, and S.B. 1233, died in Senate, would have created an atomic energy commission for the purpose of regulation and control of the peacetime use of atomic energy, special nuclear fuels, and radioactive materials.

Radiation Control - S.B. 1342, died in Senate, H.B. 409, passed House, and died in Senate, would have authorized the State health commissioner to regulate all radiation sources and provided penalties for violation of such regulations.

Electrification and Telephone

Enacted

Utility Relocation - Highway Construction - S. Res. 52, adopted May 17, 1957, creates a special committee of the Senate to study the problem of public utility relocation costs in connection with Federal-aid highway projects. The committee is directed to function during the interim between the 1957 and 1958 regular sessions and report its findings and recommendations to the Legislature. (See S.B. 1171, below.)

Utility Rights-of-Way - S.B. 1289, approved and effective June 6, 1957, Public Act 260, authorizes the State Highway Commission to acquire utility rights-of-way if required for highway construction, or to acquire and exchange other rights-of-way therefor.

Failed

Utility Relocation - Reimbursement - S.B. 1171, died in Senate, would have provided for reimbursement of cost of relocation of utility facilities necessitated by Federal-aid highway projects.

Pole Carriers - S.B. 1068, died in House, would have amended Sec. 257.719, Compiled Laws 1948, to permit pole carriers used in the transportation of wooden, metal, or fiberglass poles to exceed the 55-foot limitation when complying with the regulations of the State highway department.

Telephone

Enacted

Telephone Companies - Directors - S.B. 1033, approved May 17, 1957, Public Act 60, amends Sec. 484.2, Compiled Laws 1948 (Sec. 22.1412 Mich. Stats. Ann.) relating to terms of directors of telephone and messenger service companies to provide that they shall be elected for such term as provided in the articles or bylaws of the corporation. In cases where no provision is made the term shall be for one year. If a longer term is provided it is required that at least one-third of the members of the board are to be elected each year.

1957 Minnesota Legislation - Final Report
Session: January 8 to April 25 (29), 1957
First Special Session: April 30, 1957

Legislative Program

Electrification

The Minnesota Electric Cooperative sponsored or supported legislation at the 1957 session dealing with:

1. Reimbursement for utility relocation necessitated by highway construction (see S.F. 1358, H.F. 1155, S.F. 1750, H.F. 1861; S.F. 1775, H.F. 1887; and S.F. 1, 14 and H.F. 4 of the Special Session, below).
2. Amendment of Cooperative Associations Act to:
 - a. Validate election of directors by mail ballot (see S.F. 306, H.F. 417, below);
 - b. Eliminate need for including names of original board of directors in certain cases (see S.F. 415, H.F. 493, below);
 - c. Provide for the merger or consolidation of two or more cooperatives (see S.F. 415, H.F. 493, below);
 - d. Authorize cooperatives to purchase and hold capital stock, memberships, etc. in any corporation when reasonably necessary or incidental to its purposes (see S.F. 415, H.F. 493, below).
3. Amendment of electrical licensing and inspection law (see S.F. 355, H.F. 374, H.F. 1251, H.F. 1676, H.F. 1940, S.F. 1688, and S.F. 1267, below).
4. Duplication of electric cooperative facilities (see H.F. 1752, below, reported not to have been supported by all electric cooperative systems).
5. Strengthen junk dealers registration law (see H.F. 1577, below.)

Telephone

No legislative program was reported to have been developed by Minnesota telephone borrowers.

Legislation ConsideredElectrificationEnacted

Licensing of Electricians - H.F. 1940, approved April 29, 1957, Ch. 905, amends various sections of the electricians' licensing law (Sec. 326.01 et. seq., Minn. Stats. 1953) by adding provisions for Class B master and journeyman electricians. (S.F. 1688, companion bill, died in Senate.)

Control of Atmospheric Pollution, Sources of Ionizing Radiation and Fissionable Materials - S.F. 812, approved April 10, 1957, Ch. 361, amends Sec. 144.12, Minn. Stats. 1953, by authorizing the State board of health to regulate atmospheric pollution, sources of ionizing radiation, and the handling, storage, transportation, use and disposal of radioactive isotopes and fissionable materials.

Failed

Duplication of Electric Cooperative Facilities - H.F. 1752, failed in House, would have provided that the Commissioner of Agriculture determine the convenience and necessity for the construction or acquisition of electric lines or facilities by one or more electric utilities into areas already served by rural electric cooperatives or the construction of electric lines into areas not being served by an electric utility. (Legislation on this subject had been request by Gov. Freeman in a special mid-March message. Such legislation was supported by resolution of the Minnesota Association of Cooperatives at its October 1956 annual meeting but was not unanimously supported by the electric cooperatives.

Generation of Power for Municipal and Cooperative Utilities - H.F. 1266, died in House, would have established a legislative commission to study and research the generation of electric power for municipal and cooperative utilities.

Price of Electricity - Investigation - H.F. 486, failed in House, would have empowered the Commissioner of Agriculture to investigate the prices of electricity and other services and commodities.

Atomic Energy - Assembly and Dissemination of Information - S.F. 511, failed in Senate, would have created a division of atomic energy in the department of business development, to assemble and disseminate to authorized persons and corporations information on atomic energy and nuclear science.

- Regulation and Control - H.F. 1445, died in House, would have provided for the control and regulation of atomic energy.

- Coordination - H.F. 1106, died in House, would have established a coordinator of atomic energy activities.

Licensing of Electricians - H.F. 374 and S.F. 355, both defeated, would have amended Sec. 326.01 et. seq., Minn. Stats. 1953, relating to licensing of electricians and inspection of electrical installations, to provide for temporary licenses in certain cases.

- H.F. 1251, died in House, would have amended Sec. 326.26(4), Minn. Stats. 1953, dealing with limited electricians licenses.

- H.F. 1676, died in House, would have amended Sec. 326.01 et. seq., Minn. Stats. 1953, to provide for licensing of electric appliance installers, to reorganize the State Board of Electricity, and to make permanent provision for Class B electricians and journeyman (see H.F. 1940 under "Enacted" above).

- S.F. 1267, died in Senate, would have amended Ch. 790, Laws 1955, relating to qualifications of Class B master electricians and journeymen.

Municipal Utilities - S.F. 1079, died in Senate, and H.F. 1167, died in House, would have made provision with respect to the issuance of bonds for the purchases of electric equipment by municipal utilities.

Claim of Faribault County Cooperative Electric Association - S.F. 1602, died in Senate, and H.F. 1770, died in House, would have provided payment of claim of \$11,500. for services rendered benefitting the Minnesota Highway Department.

Electrification and Telephone

Enacted

Cooperative Association Act - Amendments - H.F. 493, approved March 15, 1957, Ch. 129, amends the Cooperative Associations Act as follows: Sec. 308.06(2), relating to contents of articles of incorporation, by requiring inclusion of names, addresses, and terms of first directors but permitting their omission after their successors are elected or when the articles are amended in their entirety; Sec. 308.14(1) relating to conversion under this act, by permitting corporations other than cooperatives so to convert; Sec. 308.15(4), a new subdivision dealing with merger or consolidation of cooperatives; Sec. 308.37, to authorize cooperatives to purchase and hold capital stock, membership, etc. in any corporation when reasonably necessary or incidental to accomplish their purposes. (S.F. 415 was a companion bill.)

- S.F. 306, approved March 20, 1957, Ch. 186, adds Sec. 308.071, validating board action and board elections by reason of election of directors by mail vote of

stockholders if in accordance with provisions existing in articles or bylaws prior to January 1, 1956, and authorizes mail voting for directors, if provided for in articles or bylaws, at any election held hereafter and prior to January 1, 1958. (H.F. 417 was a companion bill.)

- S.F. 1281, approved April 20, 1957, Ch. 517, amends Sec. 308.14(2), relating to voluntary dissolution of cooperatives, by making provision for mail vote thereon. (H.F. 1113 was a companion bill.)

Utility Relocation - Reimbursement - H.F. 4 (Special Session), approved May 2, 1957, Ch. 4, adds Sec. 160.466, to provide that when relocation of utility facilities is necessitated by Federal-aid state highway construction, including urban extensions, in the National System of Interstate Highways, the facility shall be relocated in accordance with the Highway Commissioner's orders and the cost thereof paid by the State out of trunk highway funds provided that the amount of reimbursement shall not exceed the amount on which the Federal Government bases its reimbursement for the interstate system. (S.F. 1 was a companion bill.)

- S.F. 14 (Special Session), approved May 2, 1957, Ch. 21, establishes a legislative commission to study the past and future policy of the State with respect to payment of costs of relocating utility facilities on the entire trunk highway system, however owned, managed, and operated, and to report its findings and recommendations to the 1959 session not later than January 6, 1959.

Junk Dealers - Regulation of Purchases of Wire and Cable - H.F. 1577, approved April 29, 1957, Ch. 960, adds Subdivs. 2, 3, and 4 to Sec. 614.18, Minn. Stats. 1953, to require that all purchasers of wire and cable keep detailed records of transactions and deliver copy thereof periodically to the sheriff of the county. Purchases in regular channels or from bankrupt stock are exempted but bill of sale or other evidence of open or legitimate purchase must be obtained and kept.

Fostering Family Farms and Agriculture - H. Res. 2, adopted March 15, 1957, and a companion Senate Resolution, adopted April 8, 1957, favor Federal legislation providing the initiative, both with leadership and funds, in carrying on effective REA and other programs.

Failed

Cooperative Associations Act - Amendment - Eminent Domain - S.F. 136, and H.F. 258, defeated in their respective houses, would have amended Sec. 308.05(1), Minn. Stats. 1953, as amended by Ch. 757, Laws 1955, by deleting the provisions giving electric and telephone cooperatives the power of eminent domain.

- Election of Directors by
Mail Ballot - S.F. 1444 and H.F. 1928, defeated in their respective houses, would have amended Sec. 308.11, Minn. Stats. 1953, to permit mail ballots for the election of cooperative directors.

Cooperative Associations - Annual Reports - H.F. 1197 and S.F. 1211, defeated in their respective houses, would have amended Sec. 17.28, Minn. Stats. 1953, requiring any business entity which represents itself as a cooperative association to file annual reports, to authorize the Commissioner of Agriculture to investigate any and all business entities to determine if a report is required and to investigate the financial affairs of any association filing a report to determine its accuracy and completeness.

Utility Relocation - Reimbursement - S.F. 1358 and H.F. 1155, died in their respective houses, would have provided for the payment by the State Highway Department of costs of relocation of utility facilities necessitated by construction of Federal Interstate Highways. (See H.F. 4, Special Session, enacted, above.)

- S.F. 1750 and H.F. 1861, died in their respective houses, would have provided for payment, out of State trunk highway funds, of the costs of relocation of utility facilities necessitated by construction of State trunk highways.

- S.F. 1775 and H.F. 1887, died in their respective houses, would have provided for payment out of State highway funds of the cost of relocation of municipally owned utility facilities necessitated by the construction, reconstruction, or maintenance of trunk highways.

Telephone

Enacted

Telephone Rates - S.F. 1470, approved April 29, 1957, Ch. 917, amends Sec. 237.08, Minn. Stats. 1953, relating to determination of telephone rates by the commission, to require the commission to give due consideration to evidence of the cost of the property when first devoted to public use, prudent acquisition cost to the telephone company less depreciation, current values, and any other material or relevant factors or evidence.

Deposits - S.F. 1779, approved April 20, 1957, Ch. 523, amends Sec. 237.06, Minn. Stats. 1953, relating to telephone rates and charges, by authorizing telephone companies organized after January 1, 1949, to include in their charges a reasonable deposit fee not exceeding \$50 for facilities furnished. (H.F. 1900 was a companion bill.)

Use of Slugs in Coin-Box Telephones - S.F. 69, approved February 27, 1957, Ch. 39, amends Sec. 610.57, Minn. Laws 1953, making the operation of vending machines by means of slugs a misdemeanor, to include coin-box telephones.

Operation of Telephone Facilities by Towns and Villages - S.F. 874, approved March 1, 1957, Ch. 57, validates the issuance of bonds by certain towns and villages in connection with improvements and betterments of telephone lines and systems. (H.F. 937 was a companion bill.)

- S.F. 876, approved March 1, 1957, Ch. 58, authorizes villages incorporated in territory in which telephone lines were previously operated by a town to continue to operate same. (H.F. 931 was a companion bill.)

Failed

Adequate Telephone Service - S.F. 1471 and H.F. 1879, died in their respective houses, would have amended Sec. 237.16, relating to certificates and permit; authorized the commission to allow telephone companies a period of two years within which to make ordered improvements to furnish adequate service, and in the event of failure to comply, to declare the territory open to the extension, construction, or installation of telephone facilities by another company.

Dual Service - S.F. 1302 and H.F. 1397, died in their respective houses, would have authorized two telephone exchanges serving a village to continue service therein.

Public Service Commission - Proceedings and Appeals - H.F. 1730 and S.F. 1468, died in their respective houses, would have amended several sections of law relating to proceedings before and appeals from the Public Service Commission.

1957 Missouri Legislation - Final Report
Session: January 2 to May 31, 1957

Legislative Program

Electrification

The Missouri State Rural Electrification Association considered but did not sponsor legislation modeled after the 1955 Wisconsin law which would prohibit duplication of facilities by any supplier of electric service where service and rates were adequate. Consideration was also given to the possibility of solving this problem by subjecting the co-operatives to the jurisdiction of the Public Service Commission and seeking certificates of convenience and necessity but no action was taken in this direction.

Telephone

No legislative program was reported undertaken by REA telephone borrowers in Missouri. (See H.B. 270 under "Telephone - Enacted" below, dealing with telephone cooperative quorums and vote requirements.)

Legislation Considered

Electrification

Failed

Electrical Wiring - Licensing and Inspection - H.B. 335, killed in House, would have established a State Electrical Board empowered to establish minimum standards for installation of electrical wiring; required permits for electrical installations; provided for licensing of electrical contractors, and for a system of State inspection of wiring installations except in municipalities having their own inspection systems meeting minimum State standards.

Water Resources Board - S.B. 248, died in Senate, would have established a State Water Resources Board.

Electrification and Telephone

Enacted

Public Service Commission Fund - H.B. 147, approved June 18, 1957, amended Sec. 386.370.2, RS Mo. 1949, by increasing from \$300,000 to \$400,000 the limit on the annual assessments for administrative expenses of the commission against regulated public utilities.

Failed

Utility Relocation - Reimbursement - S.B. 271, died in Senate, would have provided for reimbursement to publicly, privately, and cooperatively owned utilities for the cost of relocating utility facilities, whether on private or public right-of-way, occasioned by the construction of highway projects in the Federal-aid primary, secondary, interstate, or defense systems or in any part of the State-maintained highway system regardless of any prior permit or agreement providing otherwise.

Public Utilities - Labor Disputes - H.B. 346, died in House, would have repealed Chap. 295, RS Mo. 1949, dealing with labor disputes in public utilities.

- H.B. 155, died in House, would have amended Chap. 295, RS Mo. 1949, to prohibit strikes against public utilities; impose penalties on unions and union officials participating therein; and to prohibit lock-outs by public utilities and impose penalties therefor.

TelephoneEnacted

General Business and Corporations Act - Quorum for Telephone Cooperatives - Voting Requirements - H.B. 270, approved May 13, 1957, adds Section 351.226 to Chap. 351, RS Mo. 1949, prescribing a quorum of five percent of the outstanding voting shares for meetings of shareholders of corporations organized for the purpose of providing telephone service where the corporate articles limit ownership of voting shares to one share per person, and establishing a majority of a quorum as the vote required for corporate action, unless the articles or bylaws require a larger percentage for a quorum or a larger vote. (S.B. 192, companion bill, died in Senate.)

Failed

Telephone Employees - House of Labor - H.B. 122, killed in House, would have amended Sec. 290.040, RS Mo. 1949, repealing the exemption of telephone companies from the hours of labor restriction applicable to female employees, but exempting female switchboard operators working in a private residence or place of business other than an exclusive telephone establishment.

Industrial Inspection - Telephone Companies - H.B. 121, passed House, killed in Senate, would have amended Sec. 291.060, RS Mo. 1949, by extending industrial inspection to telephone companies.

1957 Montana Legislation - Final Report
Session: January 7 to March 8 (11), 1957

Legislative Program

Electrification

No legislative program was undertaken by REA borrowers in Montana.

Telephone

Telephone borrowers in Montana supported a legislative program which included the following:

- (a) amendment of the Rural Electric Cooperative Act to permit formation of rural telephone cooperatives (see H.B. 121);
- (b) classification of property of rural telephone associations for tax purposes in same category as rural electric cooperatives (see H.B. 154);
- (c) extending to areas outside of cities requirement that persons moving structures pay for the cost of raising or cutting utility lines and poles (see S.B. 48); and
- (d) providing reimbursement of utilities for relocation of facilities resulting from Federal-aid highway construction (see H.B. 122).

Legislation Considered

Electrification

Enacted

Electrical Installations - Standards - S.B. 53, approved February 27, 1957, Chap. 49, authorizes counties to establish minimum standards for the installation or use of electrical equipment and provides for the issuance of permits for such installations. Sec. 2 provides that the act is not to apply where there is in effect supervised inspection in accordance with the Rural Electrical Association wiring standards or electrical code of the National Board of Fire Underwriters. (H.B. 367, same as S.B. 53, died in House.)

Missouri River - Water Resources - H.J. Mem. 9, approved March 7, 1957, memorializes the Congress to investigate the subordination of power generation on the Missouri River to navigation, "and to determine all facts necessary to ascertain the balance between electric power supply and requirements, existing and prospective, in the upper Missouri Basin". (Similar resolutions adopted in North Dakota and South Dakota.)

Yellowtail Dam - Hydroelectric Power - H.J. Mem. 4, approved February 14, 1957, urges Congress to enact legislation to provide a settlement with the Crow Indians for the site of the Yellowtail dam in order that construction of this multiple purpose project may be started. (The power plant of this project will have an installed capacity of 200,000 kilowatts.)

Electrical Energy Producers License Tax - H.B. 278, approved March 11, 1957, Chap. 214, amends S.c. 84-1601, Revised Codes of Montana, 1947, to increase the electrical energy producers license tax from one percent to one and one-quarter percent of the gross amount of sales.

Failed

Municipalities - Adoption of Technical Codes - S.B. 94, died in Senate, would have authorized municipalities to adopt by reference the provisions of various technical codes such as electrical wiring codes, plumbing codes, building codes, etc.

Columbia River Interstate Compact - S.B. 86, died in Senate, would have ratified and approved the Columbia Interstate Compact relating to the division, apportionment, and use of the waters of the Columbia River system (including use of water for hydroelectric power production).

Electrification and Telephone

Enacted

Utility Relocation - Reimbursement - H.B. 122, approved March 19, 1957, Chap. 254, adds Sec. 32-1625, to Revised Codes of Montana, 1947, authorizing the State Highway Commission to reimburse utilities for 75 percent of the cost of relocation of their facilities in connection with Federal-aid highway construction. (This legislation was supported by REA borrowers.)

Failed

Moving Utility Lines - S.B. 48, vetoed by the Governor March 7, 1957, would have amended Sec. 24-138, Revised Codes of Montana, 1947, relating to duties of the owners of utility poles and lines by extending to areas outside of cities and towns the requirement that persons moving structures pay for the raising or cutting of wires or moving of poles. (This legislation was supported by REA borrowers. At the present time the law provides for payment of costs for moving lines and poles only within cities and towns.)

Public Service Commission - Utility Rates - H.B. 221, died in House, would have amended Sec. 70-106, Revised Codes of Montana, 1947, to require the Public Service Commission to determine utility rates on the basis of revenue requirements.

TelephoneEnacted

Rural Telephone Cooperatives - Substitute H.B. 121, approved March 2, 1957, Chap. 80, amends the Rural Electric Cooperative Act (Sec. 14-501, et. seq. Revised Codes of Montana, 1947) to permit the formation and operation of rural telephone cooperatives. The purpose of the act is stated in Sec. 14-502 (b) as follows: "For the purpose of making generally available in rural areas adequate telephone service through the improvement and expansion of existing telephone facilities and the construction and operation of such additional facilities as are required to assure the availability of such service to the widest practicable number of rural users thereof, provided that nonduplication of lines, facilities, or systems providing reasonably adequate service will result therefrom." Sec. 14-530 defines rural area for corporations organized under the provisions of Sec. 41-502 (b) to mean "any area not included within the boundaries of any incorporated or unincorporated city or town having a population in excess of 1,500 persons." (This legislation was sponsored by REA borrowers. It is substantially the same as H.B. 223 which failed of enactment in 1953.)

Taxation - Rural Telephone Cooperatives - H.B. 154, approved March 4, 1957, Chap. 88, amends Sec. 84-301, Revised Codes of Montana, 1947, relating to classification of property for taxation, to include property of rural cooperative telephone associations with property of rural electrical associations. (This legislation was sponsored by REA borrowers. It removes the rural telephone cooperatives from the 40 percent category and places them in the 7 percent category at which value their property is assessed for tax purposes.)

Telephone Business - Taxation - H.B. 275, approved March 11, 1957, Chap. 213, amends Sec. 84-2601, Revised Codes of Montana, 1947, relating to the annual tax levied on gross income of telephone business, to increase the tax from one percent to one and one-half percent.



1957 Nebraska Legislation - Final Report
Session: January 1 to June 19, 1957

Legislative Program

Electrification

The Nebraska Rural Electric Association did not develop a legislative program for 1957. Through its Legislative Committee all legislation introduced was reviewed and the views of the Association on various bills were made known to the Legislature.

Telephone

No legislative program was undertaken by REA telephone borrowers in Nebraska.

Legislation Considered

Electrification

Enacted

Rural Public Power Districts - Directors - L.B. 393, approved March 20, 1957, amends Sec. 70-619, Nebr. Rev. Stat., to provide that a director of a rural public power district may be elected to serve as director of another public power district formed or organized for the purpose of generating electric energy or transmitting electric energy exclusively for resale to some other public power districts, rural electric cooperatives, and membership associations or municipalities. (This bill was drafted and sponsored by Nebraska Electric Generation and Transmission Cooperative, Inc.)

Public Power District - Charter Amendment - L.B. 182, approved March 13, 1957, amends Sec. 70-662, Nebr. Rev. Stat., to provide for changes in charters of public power districts regarding the nature of its business and location and method of operation of the power plants and systems of the district. (This bill was sponsored by the Eastern Nebraska Public Power District in order to permit it to build generating facilities if it should so decide.)

Utility Rates - Regulation by Cities and Villages - L.B. 374, approved May 18, 1957, amends Sec. 17-125, Nebr. Rev. Stat. to authorize villages as well as cities of the second class to grant franchises to electric and gas utilities and to regulate rates and charges for these services.

Utilities - Acquisition by Cities and Villages - L.B. 150, approved May 27, 1957, requires public utility whose local distribution system has been acquired by a city or village by condemnation to furnish wholesale service to the city or village.

Failed

Public Power Districts - Payments in Lieu of Taxes - Leg. Res. 16, indefinitely postponed by committee, requested the Attorney General to institute necessary action to obtain a final determination of constitutionality of requiring the making of payments in lieu of taxes by public power districts.

- L.B. 607, killed in committee, proposed submission of constitutional amendment to authorize the legislature to tax property of the State and its governmental subdivisions devoted primarily to proprietary functions. (This bill was introduced in order to give the Legislature authority to tax public power districts directly in the event that the present payments in lieu of taxes being made by the power districts are held unconstitutional. Officials of the Nebraska Rural Electric Association testified in opposition to the bill.)

- L.B. 18, indefinitely postponed by committee, would have amended Sec. 70-652, Nebr. Rev. Stats. relating to public power districts, to provide that the county board, sitting as a board of equalization, may in any year subsequent to the purchase or acquisition of property by a power district determine the amount that such district shall pay in lieu of taxes.

Public Power District - Rates in Cities and Villages - L.B. 20, indefinitely postponed by committee, would have amended Sec. 70-660, Nebr. Rev. Stat., relating to public power and irrigation districts to provide that cities and villages shall have power to provide maximum rates that public power and irrigation districts may charge for furnishing electrical energy to such city or village.

Transfer of Distribution System to Cities and Villages - L.B. 10, indefinitely postponed by committee, would have amended Sec. 70-650.01, Nebr. Rev. Stats., relating to public power and irrigation districts to provide for cities and villages to vote upon the question of whether the district shall convey the distribution system to the city or village prior to the time when the bonds or obligations of indebtedness are paid.

- Report of Profits - L.B. 14, indefinitely postponed by committee, would have provided for public power and irrigation districts to submit a report to each municipality of net profits from its operations together with the amount of its expenses charged to utility operations in the municipality.

- Political Contributions - L.B. 17, killed in committee, would have amended Sec. 39-1129, Nebr. Rev. Stat., to prohibit political contributions or assistance by public power districts.

Electrical Contractors - Registration - L.B. 555, indefinitely postponed, would have required electrical contractors to register with State Fire Marshal prior to making electrical installation or installing any wires capable of conducting electrical current; to post a bond to secure performance on contracts and to provide penalties for failure to comply with provisions of the act.

Electrification and Telephone

Enacted

Utilities Relocation - Reimbursement - L.B. 54, approved June 6, 1957, provides for reimbursement of utilities for the cost of relocating their facilities on Federal-aid highway projects except when such payment would violate a contract between the utility and the State or its political subdivision.

Electric and Telephone Lines - Road Work - L.B. 158, approved March 28, 1957, requires notice be given to the owner of any telephone, electric distribution or transmission line when any county or township road work is to be done within six feet of such lines, its poles or anchors.

Public Utilities - Mortgages - L.B. 368, approved June 21, 1957, amends Secs. 36-303 and 76-239, Nebr. Rev. Stat., to exempt from its provisions mortgages or deeds of trust of property used in carrying on the business of a public utility or a gas or oil pipeline system and executed to secure the payment of money.

Failed

Utilities - Sales Tax - L.B. 16, killed in committee, would have provided for retail sales tax on property and services sold by businesses furnishing electricity, communications, gas, or heat.

State Railway Commission - Fees for Regulation - L.B. 269, indefinitely postponed, would have authorized the State Railway Commission to impose fees and charges upon persons, associations, etc. subject to or invoking its jurisdiction.

Telephone

Enacted

State Railway Commission - Regulation of Telephone Rates - L.B. 454, approved March 16, 1955, amends Secs. 75-201 and 75-310, Nebr. Rev. Stat., relating to regulation by State Railway Commission, clarifying commission power to regulate rates and services of telephone and telegraph companies.

- Reports by Telephone Companies - L.B. 455, approved March 20, 1957, amends Sec. 75-112, Nebr. Rev. Stat., to require annual reports to State Railway Commission by farmers mutual telephone companies with a capitalization of \$5,000 or less.

1957 Nevada Legislation - Final Report
Session: January 21 to March 25 (27), 1957

Legislative Program

Electrification and Telephone

No legislative program was undertaken by REA borrowers in Nevada.

Legislation Considered

Electrification

Enacted

Atomic Energy Power Plant - S.J.R. 3, approved February 20, 1957, File No. 14, memorializes the Atomic Energy Commission to establish an experimental power generating reactor plant in eastern Nevada.

Columbia Basin Interstate Compact - S.B. 62, approved March 6, 1957, Chap. 56, repeals Chap. 67, Laws of 1955, ratifying and approving the Columbia Basin Interstate Compact.

Failed

Columbia Basin Interstate Compact of 1956 - S.B. 61, died in Senate, would have ratified the Columbia Basin Interstate Compact of 1956.

Electrification and Telephone

Enacted

Utility Line Insulators - Destruction - A.B. 407, approved March 26, 1957, Chap. 234, amends NRS 206.120 relating to malicious destruction of public utility property by making the shooting of power or telephone line insulators a gross misdemeanor.

Public Service Commission - Membership - A.B. 338, approved March 26, 1957, Chap. 240, provides for appointment of three full time members of the Public Service Commission and removes the State Engineer from membership.

Failed

Public Utilities - Assessments - A.B. 319 and A.B. 502, both passed Assembly, and died in Senate, would have required that county assessors and district attorney be notified before the tax commission reduces the assessed valuation on public utilities within a county.

Telephone

Enacted

Public Service Commission - Approval of Securities - A.B. 119, approved March 26, 1957, Chap. 293, amends Chap. 704, Nevada Revised Statutes, by adding provisions to require Public Service Commission approval for issuance of or assumption of liability on any security by a privately owned public utility.

1957 New Hampshire Legislation - Final Report
Session: January 2 to August 2, 1957

Legislative Program

Electrification and Telephone

No legislative program was undertaken by REA borrowers in New Hampshire.

Legislation Considered

Electrification

Enacted

Electrical Appliances - Sale - H.B. 231, approved June 21, 1957, Chap. 182, amends RSA 158 by adding provisions prohibiting the sale of electric appliances, devices, or equipment "not in conformity with standard approved methods of construction for safety to life and property". The State board of fire control is authorized to issue regulations and enforce the provisions of this act.

Failed

Electricians - Licensing - H.B. 113, killed in House, would have provided for the registration and licensing of electricians and established a board of examiners consisting of the State fire marshal and two gubernatorial appointees which would have been empowered to conduct examinations and issue licenses for electricians.

Electrification and Telephone

Failed

Utility Relocation - Reimbursement - S.B. 129, died in Senate, would have authorized the State to reimburse owners of utility facilities for relocation costs occasioned by Federal-aid highway construction. (This bill was referred to the Supreme Court of New Hampshire for an opinion as to whether the legislature could authorize payment for costs of utility relocation. The court in its opinion of May 31, 1957, found that the legislature "if it chooses to do so, may validly declare that the relocation of utility facilities is part of the cost of highway relocation and reconstruction and shall be paid out of highway funds".)

Utility Poles - Highways - H.B. 201, killed in House, would have amended RSA 254:3 to prohibit issuance of permits for replacement of utility poles on certain highways unless they are located at least 20 feet from the surfaced edge of the public easement.

Telephone

Enacted

Party Line Telephones - Emergency Calls - H.B. 71, approved March 16, 1957, Chap. 31, amends RSA 572:38-a relating to emergency use of party line telephones by providing that emergency calls shall include "civil defense alert calls, air raid warning calls, both actual and drill, and aircraft flash calls".

1957 New Jersey Legislation - Interim Report
Session: January 8 to
(Legislature recessed from June 17 to November 18, 1957)

Legislative Program

Electrification and Telephone

No legislative program was undertaken by REA borrowers in New Jersey.

Legislation Considered

Electrification

Enacted

Atomic Energy Study Commission - S.J. Res. 1, approved March 26, 1957, Joint Res. No. 2, reconstitutes and continues the Atomic Energy Study Commission created by Joint Resolution 16 of the 1956 session of the legislature.

Pending

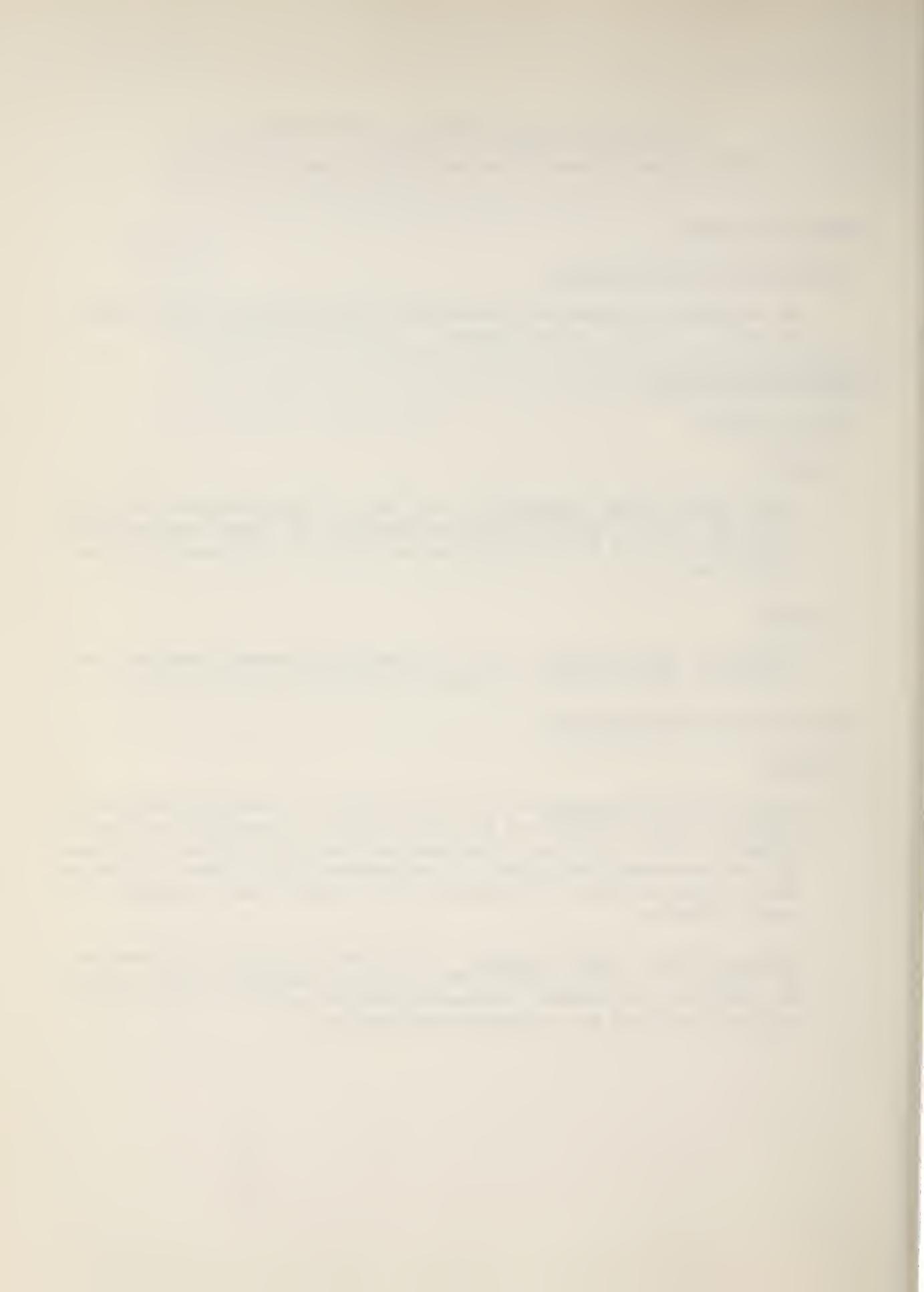
Licensing - Electricians - S.B. 210, pending in Senate Committee, permits boards of freeholders to regulate and license electricians.

Electrification and Telephone

Pending

Public Utility Commission - A.B. 279, pending in Assembly Committee on Highways, Transportation and Public Utilities, amends Section 48:2-1, Revised Statutes relating to the Board of Public Utilities by increasing its membership from three to five members with at least one member specifically selected to represent labor interests and one member consumer interests.

Public Utility - Labor Disputes - A.B. 85 and A.B. 252, both pending in Assembly Committee on Labor and Industrial Relations, repeals Chap. 38, Laws 1946, as amended, concerning labor disputes in public utilities and providing for compulsory arbitration.



1957 New Mexico Legislation - Final Report
Session: January 8 to March 9, 1957

Legislative Program

Electrification

The New Mexico Rural Electric Cooperative Association considered sponsoring legislation subjecting electric cooperatives to Public Service Commission jurisdiction as a means of obtaining protection from encroachment on their service areas. Although no such legislation was sponsored by the State Association, a bill (see S.B. 268, below) permitting electric cooperatives to elect to become subject to the Commission's jurisdiction was introduced and supported by electric cooperatives as was legislation (S.B. 384, below) giving cooperatives standing to complain to the Commission over unreasonable interference with the service or system of a rural electric cooperative.

Several bills amending the Rural Electric Cooperative Act were sponsored, reportedly by individual cooperatives or members of cooperatives (see below).

Telephone

No legislative program was reported to have been sponsored by New Mexico telephone borrowers.

Legislation Considered

Electrification

Enacted

Rural Electric Cooperative Act - Amendment - S.B. 45, approved March 29, 1957, Ch. 200, amends Sec. 45-4-9, N.M. Stats. Ann. 1953, relating to the board of trustees of rural electric cooperatives, by providing that the by-laws shall prescribe the terms of trustees and the manner of their election; strikes language in subsec. (b) relating to election of trustees at annual meetings and subsec. (c) providing for election of two classes of trustees.

- H.B. 64, approved March 19, 1957, Ch. 97, amends Secs. 45-4-7 and 45-4-10, N.M. Stats. Ann. 1953, relating to rural electric cooperatives. Sec. 45-4-7 is amended to provide that amendments of by-laws shall be adopted by "the majority of the members present at any regular annual meeting or special meeting called for that purpose, a quorum being present." As introduced, the bill amended Sec.

45-4-10 relating to establishment of voting districts to provide that the "districts shall contain as nearly as possible an equal number of the cooperative's members", but this provision was stricken. (H.B. 243, identical bill, died in House.)

Adoption of Codes by Reference - S.B. 147, approved March 28, 1957, Ch. 173, amends Sec. 14-25-8, N.M. Stats. Ann. 1953, by permitting Class H counties and municipalities to adopt by reference electrical, plumbing, and other codes, provided they comply with the minimum requirements of the State code. (S.B. 82, a similar bill without the requirement of compliance with the State code, died in the Senate.)

Standards for Electrical Installations - H.B. 302, approved March 26, 1957, Ch. 117, adds Sec. 67-19-21 to N.M. Stats. Ann. 1953, authorizing municipalities and Class H counties to provide by ordinance standards for electrical installations to be approved by the Electrical Administrative Board and to be no lower than the minimum standards adopted by the Board.

Failed

Rural Electric Cooperative Act - Amendment - Proxy Voting - H.B. 365, died in House, would have amended Sec. 45-4-8, N.M. Stats. Ann. 1953, to make by-law provision for proxy voting mandatory rather than permissive.

- Initiative by Members - H.B. 392, died in House, would have amended Sec. 45-4-17, N.M. Stats. Ann. 1953, to provide for approval by the membership of initiative proposals without the formal approval of the board of trustees.

Regulation of Electric Cooperatives - S.B. 268, killed in Senate, would have added a new Sec. 68-5-5.1 to N.M. Stats. Ann. 1953, permitting rural electric cooperatives to elect to become subject to the Public Utilities Act and to be regulated thereunder by adoption of a resolution by a two-third vote of the members present at a duly noticed meeting, a quorum being present.

Interference with Electric Cooperative Facilities - S.B. 384, passed House and Senate but pocket-vetoed by the Governor, would have amended Sec. 68-7-1, N.M. Stats. Ann. 1953, dealing with certificates of convenience and necessity for public utilities, by providing that if any public utility unreasonably interferes with the service or system of a rural electric cooperative, the commission may upon complaint of the cooperative make an appropriate order. Governor Mechem in vetoing the bill commented that the cooperatives should either come under the Public Service Commission's jurisdiction or stay completely out.

Electrical Wiring Installation - S.B. 397, killed in Senate, would have amended Sec. 67-19-1, N.M. Stats. Ann. 1953, relating to regulation of electrical installations, to exempt installations of electrical wiring in solely-owned dwellings occupied by the owners.

State Construction Trades Licensing Board - S.B. 66, killed in Senate, would have consolidated the Contractor's Licensing Board, the Electrical Administrative Board, and the Plumbing Administrative Board in one Construction Trades Licensing Board.

Electrical Administrative Board - S.B. 324, passed House and Senate but pocket-vetoed, would have authorized injunctive remedies against violation of orders of the Electrical Administrative Board.

Municipal Utilities - Financing - Powers - S.B. 197, passed House and Senate but pocket-vetoed, would have amended Sec. 14-39-8, N.M. Stats. Ann. 1953, by prescribing the method of raising funds for acquiring utility facilities situated without the municipal limits; giving municipal utilities jurisdiction over territory occupied by municipal utilities; authorizing the use of public roads and lands, and conferring the power of eminent domain.

Electrification and Telephone

Enacted

Location of Utilities on State Highway Right-of-Way - Relocation - Reimbursement - S.B. 65, approved March 29, 1957, Ch. 237, amends Sec. 55-7-18, N.M. Stats. Ann. 1953, by prescribing the location of wires or cables on State highway right-of-way; deleting the 22-foot clearance requirement for electric wires and cables, and the 18-foot clearance requirement for other (communication) wires or cables; by requiring utilities to relocate when required by the State highway engineer; and providing that in connection with highways in the Federal-aid primary or secondary system or the interstate system, including extensions within urban areas, the State highway commission shall reimburse the cost of relocation when the proportionate part of the cost is reimbursable from Federal highway funds.

Failed

Limitation on Penalty for Late Payment of Utility Bills - S.B. 70, killed in Senate, would have limited to one percent of the bill the penalty imposed by public, private, or cooperative utilities for late payment of bills.

Transfer of Functions of Public Service Commission to Corporation Commission - S.B. 58, passed Senate, died in House, would have amended and repealed various sections of Titles 68 and 69, N.M. Stats. Ann. 1953, to transfer jurisdiction over electric, telephone and other utilities from the Public Service Commission to the State Corporation Commission and exempted electric cooperatives from the definition of "public utility". (H.B. 119, companion bill, died in House.)

- S.J. Res. 4 passed Senate, died in House, would have amended Art. 11 of the State Constitution to create the State Corporation Commission and to authorize the legislature to enact laws to define and regulate all public utilities and, subject to statutory exceptions for municipalities and cooperatives, to delegate no utility regulatory authority except to the Corporation Commission. (H.J. Res. 11, a companion bill, died in the House.)

- H.J. Res. 18, indefinitely postponed in the House, would have amended Article 11 of the State Constitution to create a State Corporation Commission to regulate all common carriers and public utilities without exemptions.

Telephone

Enacted

Non-profit Corporation Law - H.B. 248, approved March 23, 1957, Ch. 112, repeals the Associations Not For Profit Act, 51 N.M. Stats. Ann. 1953, Title 14, and replaces it with a non-profit corporation act under which non-profit corporations may be formed for any lawful purpose.

Failed

Telephone Company Property - Assessment - S.B. 401, died in Senate, would have amended Sec. 72-6-5, N.M. Stats. Ann. 1953, dealing with valuation of telephone and certain other utility company properties for tax assessment purposes, to require that notwithstanding other valuation criteria, the values for tax purposes as fixed by the State tax commission shall be based upon current and present values, disregarding any per mile distribution thereof.

1957 New York Legislation - Final Report
Session: January 9 to March 30, 1957
First Special Session: June 10 to June 13, 1957

Governor's Message

The following excerpts are from the January 9, 1957, message of Governor Averell Harriman to the New York Legislature:

"Atomic Energy

"One of the challenging functions stretching before us today is the peaceful, commercial use of atomic energy and atomic materials. Private industry in New York State has been quick to recognize these possibilities and has had the imagination and courage to invest capital and effort in this field. It is indicative of New York's leadership that there are more than 300 industrial organizations registered with the State Labor Department as having radiation facilities. About 30 of these are major industrial installations; and the remainder represent commercial applications of nuclear energy. . . .

"The expanding use of radioactive materials and x-rays and other equipment capable of producing radiation is introducing new occupational and public health risks which the State also must prepare to face. Within the year the National Academy of Sciences, and its counterpart in Great Britain, have called attention to the potential dangers. With the ever-increasing use of radiation by our civilization, there will have to be an intensification of precautionary programs in this field.

"The Governor's Council has performed a useful function in clearly defining the responsibilities of the various State regulatory agencies and in co-ordinating their activities. It has made a valuable contribution, too, in allaying unjustified apprehension about the potential hazards of atomic installations. To realize its full usefulness, however, the Council needs authority defined by statute. A year ago, I recommended a State Atomic Energy Law and I repeat this request at this time."

"Consumer Protection

"Again I urge that legislation be enacted to permit the Public Service Commission to regulate telephone and railroad rates on the same basis as other public utilities, using capital actually invested as the rate base. Last year, as you will recall, the Public Service Commission recommended legislation to accomplish this result after the Court of Appeals had interpreted a 45-year-old law as requiring that the Commission consider reproduction cost in setting telephone and railroad rates. The Commission estimated that, if the Legislature did not act, telephone rates alone might have to be increased by more than \$50 million. I urged the enactment of this vital legislation in a Special Message. The bill passed the Assembly, but was held up in committee in the Senate. Since then, as was to be expected, the New York Telephone Company and one of the railroads have been seeking increased rates based on the Court of Appeals decision. Failure to enact

this bill now would result in unwarranted rate increases at the expense of the consumers and businesses. Since the application for an increase in telephone rates is now pending before the Commission urgent action is required."

"Niagara and St. Lawrence Power

"Another year has gone by without the Federal action which is necessary for the development of the great power resources of the Niagara River.

"While Canada continues to enjoy the benefits generated from this source, industry, labor, and consumers in New York State are deprived of the rightful use of these waters. The serious effects of the failure of Congress to enact legislation has been emphasized by the recent disaster at the Schoellkopf Plant at Niagara. It is difficult to estimate the losses resulting from further delay of power development in this area.

"Two months ago the legislative leaders of both political parties agreed with me to advance \$350,000 to the State Power Authority to proceed with certain engineering work on the Niagara Project in order to save time. I trust that this agreement is the forerunner of united support in Congress for the needed authorization.

"I suggest that your Honorable Bodies memorialize the Congress to enact the required legislation.

"Turning to the St. Lawrence, the Power Authority is making good progress in the construction of the power project. The first electricity will be produced in the fall of 1958--one year ahead of the original schedule. . . ."

Legislative Program

Electrification and Telephone

No legislative program was undertaken by REA borrowers in New York.

Legislation Considered

Electrification

Enacted

Electric and Gas Meters - Testing - A. 1008, approved March 11, 1957, Chap. 37, effective April 1, 1957, amends Sec. 67, Subdivision 1, Public Service Law, to provide that the costs incurred by the Public Service Commission in testing electric and gas meters shall be paid by the applicant submitting such meters. (S. 313, same as A. 1008, died in Senate.)

Failed

Power Authority - Power Preference - S. 1445, died in Senate and A. 1777, died in Assembly, would have amended Sec. 1005, Public Authorities law, to require State Power Authority to give preference to State agencies, political subdivisions, non-profit rural electric cooperatives, and Federal agencies in contracting for disposition of power, and would have provided for recapture of power to meet preference needs.

- Rates - S. 1103, died in Senate, and A. 1335, died in Assembly, would have amended Secs. 1005 and 1014, Public Authorities Law, to repeal provision directing State Power Authority to regulate resale rates of power to be paid by ultimate consumers through provisions in contracts with distributors.

- Transmission Lines - S. 1697, died in Senate, and A. 2061, died in Assembly, would have amended Sec. 1005, Public Authorities Law, to strike out provision that State Power Authority may acquire transmission lines or use thereof by contract only with owners or by erection by Authority of such lines as are necessary.

- Niagara Project - Payments in Lieu of Taxes - S. 3556, vetoed April 23, 1957, and A. 4098, died in Assembly, would have authorized the State Power Authority to make payments in lieu of taxes in connection with the Niagara project.

- Water Rental - S. 1191, died in Senate, and A. 1432, died in Assembly, would have authorized the Water Power and Control Commission to fix equitable rental for diversion of Niagara water for power

Atomic Energy - Development - S. 2427, died in Senate, and A. 3288, died in Assembly, would have added Article 19B to Executive Law, to create a council of State officials to coordinate development and regulatory activities relating to peaceful uses of atomic energy.

- A. Res. 116, died in Assembly, would have created a Joint Legislative Committee to make a comprehensive study of problems relating to radiation and peaceful uses of atomic energy.

Electric Rates - S. 528, died in Senate, and A. 343, died in Assembly, would have authorized the Public Service Commission to require electric and gas corporations filing optional rates to give written notice annually to each customer as to which rates afford the lowest charges based on class and quantity of service furnished during preceding 12 months.

Electric Submetering Corporations - S. 527, died in Senate, and A. 342, died in Assembly, would have added Sec. 77a to Public Service Law to give the PSC supervision over electric and gas submetering corporations.

Electrification and TelephoneEnacted

Abandoned Property - Utility Payments - A. 843, approved March 28, 1957, Chap. 202, amends Abandoned Property Law to reduce from 2 years to 1 year period for claiming refund of tax or assessment charged by a public service corporation before it escheats to State (S. 797, same as A. 843, died in Senate).

Public Service Commission - Fees - S. 312, approved March 21, 1957, Chap. 105, amends Sec. 18, Public Service Law, to increase various fees to be charged and collected by the Public Service Commission. (A. 1009, same as S. 312, died in Assembly.)

Failed

Utility Relocation - Reimbursement - A. 2786, vetoed April 28, 1957, and S. 2321, died in Senate, would have provided for reimbursement of public utilities for relocation of facilities occasioned by Federal-aid highway construction.

Public Service Commission - Study - S. 1499, died in Senate, and A. 198, died in Assembly, would have provided for the appointment of a temporary legislative and executive commission to study and revise the Public Service Law and procedures of the Public Service Commission.

- Rate Hearings - S. 281, died in Senate, and A. 119, died in Assembly, would have added Secs. 49-a and 66-b to Public Service Law to provide that Public Service Commission rate hearings be held in county or counties most affected thereby.

Public Utilities - Assessments - S. 1284, died in Senate, and A. 1652, died in Assembly, would have amended Tax Law to permit municipal assessors to require public utilities to supply information concerning real property subject to local assessment in same form as prescribed by State tax commission.

TelephoneFailed

Telephone Rates - S. 322, S. 326, and A. 408, died in Senate, and A. 415 and A. 1877, died in Assembly, would have amended Public Service Law to provide that rates and charges for telephone and telegraph corporations shall be based on reasonable return on capital actually expended, instead of value of property actually used in public service. (Note: In a special message to the legislature on February 5 Governor Harriman urged the legislature to act on this legislation in order to forestall impending increases in telephone rates which would cost telephone subscribers more than \$50 million annually. In issuing his proclamation of May 28, 1957, calling the legislature into special session

on June 10, 1957, Governor Harriman again requested consideration of legislation on this subject. He pointed out that "an application for telephone rate increases which is now pending before the Public Service Commission makes prompt action essential. The bill in question is sponsored by the Public Service Commission. It has twice been passed by the Assembly but in the Senate it was killed in committee and not permitted to come to a vote." During the special session the Assembly passed a bill on this subject and it was again defeated in Senate Committee.)

Telephone - Metering - A. 2626, died in Assembly, would have amended Public Service Law to require telephone corporations to install metering device on each telephone to indicate the number of outgoing calls and to charge for use of telephone for local calls on basis of number of such calls.

- Rate Increases - A. 483, died in Assembly, would have amended Secs. 92 and 97, Public Service Law, to require Public Service Commission to file a report with the legislature giving a summary of the facts concerning any rate increase granted for telephone or telegraph service, with increase to be valid unless majority of legislature disapproved by concurrent resolution in one year.

1957 North Carolina Legislation - Final Report
Session: January 9 to June 12, 1957

Legislative Program

Electrification

No legislative program was undertaken by REA borrowers in North Carolina.

Telephone

Consideration was given to sponsoring legislation to protect the service areas of REA borrowers, and in this connection drafts of proposed bills were submitted to REA for comment and review. It was decided to seek administrative and judicial remedies for the problem and no legislation was introduced.

Legislation Considered

Electrification and Telephone

Enacted

Junk Dealers - Records - S.B. 165, ratified and effective May 22, 1957, amends G.S. 60-10 by adding provisions requiring junk dealers to keep a record of the name, address, and license number of the person from whom they purchase junk and provides penalties for failure to comply with requirements.

1957 North Dakota Legislation - Final Report
Session: January 8 to March 8 (10), 1957

Legislative Program

Electrification

The North Dakota Association of Rural Electric Cooperatives after extensive consideration sponsored legislation providing for (1) limitations on electric public utilities serving customers in designated areas (H.B. 774); (2) employment of rural electrification specialist by the extension service (H.B. 785); (3) continuation of service by rural electric cooperatives within areas incorporated into municipalities (H.B. 649); (4) a resolution urging Congressional committees to investigate the subordination of power generation on the Missouri River to navigation (H. Con. Res. L).

Telephone

No legislative program was undertaken by telephone REA borrowers in North Dakota.

Legislation Considered

Electrification

Enacted

Missouri River - Water Resources - H. Con. Res. L, adopted March 8, 1957, memorializes Congress to investigate the subordination of power generation on the Missouri River to navigation. (The N.D. Association of Rural Electric Cooperatives expressed concern over the operation of multiple purpose dams on the Missouri River by the Corps of Engineers. During the navigation season in the lower Missouri River, water was being released from the various dams to the detriment of power production. The resolution urged the Congress to study this matter and to implement and make effective the O'Mahoney-Millikin amendment that the use of water for navigation purposes be subordinated to power uses. Similar resolutions were adopted in Montana and South Dakota.)

Public Utilities - Merchandising Activities - H. Con. Res. G-1, adopted March 8, 1957, requests the North Dakota Public Service Commission to investigate the practices of electric and gas utilities in connection with their selling and servicing of appliances to determine (a) whether the utilities have been withholding service or delaying the furnishing of service to patrons purchasing appliances from dealers other than utility companies; (b) whether the utility has been conducting its utility functions and merchandising business jointly; and (c) whether the same personnel and equipment are employed in both businesses. (See H.B. 820, below.)

Installment Sales Act - H.B. 811, approved March 18, 1957, Chap. 322, enacts the "Retail Installment Sales Act" which establishes the form and requirements for provisions to be contained in retail installment contracts in North Dakota.

Radiation Regulation - H.B. 600, approved March 12, 1957, Chap. 185, requires the registration of users of radioactive materials or radiation machines with the North Dakota State Department of Health.

Failed

Protection of Cooperative Territory - H.B. 774, passed House, killed in Senate, would have amended Secs. 49-0301 and 49-0305, 1953 Supplement to N.D. Rev. Code, 1943, relating to conditions and requirements to be met by public utility companies in securing certificates of convenience and necessity from the N.D. Public Service Commission and providing for filing of complaints for failure to secure certificates or for constructing or extending its system without such certificates. The bill would also have limited electric public utilities serving customers outside of municipalities by providing that the Public Service Commission not grant a certificate to a public utility to extend its service beyond the corporate limits without the written consent of the rural electric cooperative serving that area unless it can be shown that the cooperative cannot provide the required service. Sec. 5 of the bill would have required electric public utilities serving areas outside of municipalities to file maps showing such service locations and Sec. 6 would have authorized the Public Service Commission to enforce its provisions. (This bill was sponsored by the North Dakota Association of Rural Electric Cooperatives in order to protect the service areas of rural electric cooperatives. In September 1956 the Supreme Court of North Dakota issued its decision in the case of Williams Electric Cooperative vs. Montana-Dakota Utilities Co. which was adverse to the cooperative interests. It was then decided to seek legislation to protect cooperative service areas from utility encroachment. A number of drafts of bills were considered on which REA's comments and views were requested and furnished.)

Cooperative Service - Municipal Territory - H.B. 649, passed House, killed in Senate, would have amended Sec. 40-0501, Subsec. 12, N.D. Rev. Code, 1943, relating to powers of municipalities to provide that where boundaries of a municipality have been enlarged to include territory served by a cooperative, the cooperative may apply to city for authority to operate utility services in extended areas. (This bill was sponsored by the North Dakota Association of Rural Electric Cooperatives.)

Rural Electrification - Extension Service - H.B. 785, killed in House, would have made an appropriation to the extension service of the North Dakota Agricultural College for the establishment of the position of Extension Rural Electrification Specialist, to conduct educational

work on the application and use of electricity in the home and in the production of farm products, electrical wiring and rewiring on farms and rural electrification education among youth and 4-H members.

Public Utilities - Merchandising Activities - H.B. 820, killed in House, would have prohibited public utilities from engaging in the sale of electrical or gas appliances and other merchandise. (See H. Con. Res. G-1, above.)

Electrification and Telephone

Enacted

Cooperative Association Act - H.B. 540, approved March 22, 1957, Chap. 104, amends and reenacts Chap. 10-15, N.D. Rev. Code, 1943, the North Dakota Cooperative Associations Act. This act revises and consolidates laws governing cooperatives and is effective July 1, 1959, unless a cooperative elects earlier to become subject to its provisions.

- H.B. 541, approved March 22, 1957, Chap. 105, amends and reenacts Chaps. 10-12 and 10-13, N.D. Rev. Code, 1943, under which electric cooperatives and mutual aid cooperatives are organized. This act becomes applicable on July 1, 1959, unless an earlier election to become subject is made by a cooperative.

Corporation Filing Fees - H.B. 539, approved March 16, 1957, Chap. 336, amends and reenacts Sec. 54-0904, N.D. Rev. Code, 1943, relating to fees payable to the office of the Secretary of State.

Utility Relocation - Reimbursement - S.B. 166, approved March 23, 1957, Chap. 195, authorizes the State highway commissioner to reimburse utilities for the cost of relocating facilities ordered moved in connection with interstate or defense highway projects in which the Federal Government shares the cost.

Failed

Utility Rights-of-Way - Noxious Weeds - S.B. 80, withdrawn from Senate, would have amended Sec. 63-0107, N.D. Rev. Code, 1943, requiring the destruction of noxious weeds along a right-of-way by including public utilities maintaining electric transmission or telephone lines.

Utility Lines - Restriction on Placement - H.B. 602, killed in House, would have prohibited construction of utility or other transmission lines within sixty feet of section lines or within sixty feet of center of existing highways and provided that costs of removal of utilities located within any public right-of-way be at the expense of the utility.

Cities and Villages Franchise Taxes - H.B. 764, killed in House, would have authorized cities and villages to impose use and privilege taxes as compensation for franchises.

Public Service Commissioners - Appointment - S. Con. Res. U, withdrawn from Senate, would have proposed an amendment to section 82 of the North Dakota Constitution relating to the election and terms of State officials by providing for the appointment (instead of election) of public service commissioners and the superintendent of public instruction.

Telephone

Enacted

Emergency Calls - Party Line Telephones - S.B. 61, approved March 6, 1957, Chap. 319, provides that it shall be a misdemeanor for any person using a party line telephone circuit to refuse to surrender the use of such line when needed by another person to make an emergency call and requires that notice of these provisions be printed in all telephone directories.

Business Corporation Act - H.B. 537, approved March 21, 1957, Chap. 102 enacts the "North Dakota Business Corporation Act" relating to the creation, organization, reorganization, operation, powers, purposes, reports, fees, charges, and dissolution of domestic and foreign profit corporations organized or operating within the State.

1957 Ohio Legislation - Final Report
Session: January 7 to June 18, 1957

Legislative Program

Electrification

The Ohio Rural Electric Cooperatives, Inc. considered sponsorship of legislation dealing with reimbursement for utility relocation due to Federal-aid highway construction. However, they took no action on this subject (but see H.B. 485, below). The State Association received a report from a subcommittee reviewing problems arising out of extension of municipal boundaries and the need for protection of cooperative service areas. No action was taken on these matters.

Telephone

No legislative program was undertaken by REA telephone borrowers in Ohio.

Legislation Considered

Electrification

Enacted

Atomic Energy - Development and Regulation - S.B. 339, approved June 12, 1957, and effective September 9, 1957, enacts Secs. 4163.01 to 4163.06, Revised Code, relating to the development, utilization, and regulation of atomic energy for peaceful purposes. A State Atomic Energy Advisory Board and a Co-ordinator of Atomic Development are authorized to be appointed by the Governor. The manufacture, acquisition, use, etc. of nuclear materials are regulated and various State agencies are directed to study needed changes in laws and regulations. (S.B. 144, similar to S.B. 339, died in Senate.)

Failed

Public Utilities Commission - Power Marketing - H.B. 894, died in House, would have added Sec. 4905.051 to Revised Code, designating the Public Utilities Commission as agent for the procurement of electric energy from outside the State of Ohio. The Commission would be authorized to contract for transmission of such energy and for its resale on a non-profit basis with preference being given on basis of need. (This bill was introduced to provide a means for securing and marketing power to be made available through construction of the Niagara power project.)

Electrification and Telephone

Enacted

Public Utilities - Damage of Facilities - H.B. 646, approved June 17, 1957, effective September 16, 1957, enacts Sec. 2909.24, Revised Code, to prohibit malicious damage or destruction of facilities used in the rendering of public utility services.

Non-Profit Corporations - Registration - S.B. 293, approved June 14, 1957, effective October 1, 1957, enacts Sec. 1702.95, Revised Code, requiring non-profit corporations to renew their registrations with the Secretary of State every five years.

Public Utilities - Labor Disputes - Investigation - H. Res. 106, adopted June 18, 1957, requests the legislative service commission to investigate, study, and make recommendations concerning labor management relations in the public utility field in Ohio and to report on the feasibility of State legislation providing for cooling-off periods before work stoppages. Report to be made to the 103rd General Assembly (1959).

Failed

Utility Relocation - Reimbursement - H.B. 485, died in House, would have enacted Secs. 5531.05 to 5531.051, Revised Code, to provide reimbursement for relocation of utility facilities due to Federal-aid highway construction.

Interstate Highways - Utilities Barred from Rights-of-Way - H.B. 918, died in House, would have enacted Sec. 5515.07, Revised Code, to prohibit utilities from using rights-of-way of interstate and defense highways and limited access highways or freeways.

Public Utilities Commission - Rate Cases Procedure - S.B. 19, died in Senate, would have amended the procedure in rate cases before Public Utilities Commission relating to the determination of "fair value" of property of public utilities

- H.B. 522, died in House, would have amended Sec. 4909.15 and 4909.39, Revised Code, relating to determination of rate of return for public utilities and providing that consideration be given to actual capital net investment and due regard to a sound and economical capital structure in setting utility rates.

- H.B. 739, died in House, would have amended procedure in rate cases before Public Utilities Commission to provide standards to be followed by the Commission in establishing rates. (S.B. 289, same as H.B. 739, died in Senate.)

- Appeals - S.B. 282, died in House, would have amended Sec. 4903.12 et. seq., Revised Code, to extend to the court of appeals of Franklin County jurisdiction to consider appeals from orders of the Public Utilities Commission.

Public Utilities - Labor Disputes - H.B. 749, died in House, would have enacted Sec. 4975.01 to 4975.09, Revised Code, to authorize the Governor to appoint a board of inquiry to investigate labor disputes between public utilities and their employees and to provide machinery for settlement of such disputes.

Consumers Utility Tax - H.B. 675, died in House, would have amended Sec. 5727.38 and 5739.02, Revised Code, relating to the authority of a municipality to assess, levy, and collect a consumer's utility tax.

Telephone

Enacted

Telephone Booths along Highways - H.B. 743, approved June 17, 1957, effective September 16, 1957, enacts Sec. 1541.031, Revised Code, to authorize the chief of division of parks and the director of highways to enter into contracts with telephone companies for the installation of telephone booths in parks and along highways.

Failed

Telephone Companies - Service Area - H.B. 253, died in House, would have authorized county zoning commission to veto or modify decision of public utilities commission in regard to area to be serviced by a telephone company and provided for appeal to court of common pleas of the county in which zoning commission is located.

Public Utilities - Financial Reports - S.B. 290, died in Senate, would have enacted Sec. 4905.171, Revised Code, pertaining to the method of reporting capital accounts of public utility companies in financial reports required by the Public Utilities Commission.

1957 Oklahoma Legislation - Final Report
Session: January 8 to May 29, 1957

Legislative Program

Electrification

The Oklahoma Statewide Electric Cooperative sponsored legislation to authorize electric cooperatives to continue service in areas annexed to or incorporated within municipalities having a population in excess of 1,500 persons provided such areas were being served at the time of annexation or incorporation and such areas were "rural areas" as defined in the Rural Electric Cooperative Act at the time service was commenced (see H.B. 842, S.B. 207, below).

Consideration was given to the sponsorship of other legislation including (1) restrictions on the sale of service materials by junk dealers as a means of curbing thefts of such materials, and (2) direction to the Corporation Commission to exclude utility advertising and lobbying expenses from rate structures. No legislation covering these fields was reported to have been introduced.

Telephone

No legislative program was reported to have been undertaken by Oklahoma telephone borrowers.

Legislation Considered

Electrification

Enacted

Grand River Dam Authority - Power Contracts - Financing - S.B. 268, approved and effective May 22, 1957, amends 82 O.S. Secs. 862, 865, and 870, by empowering the Authority to contract for not more than 50 years for the sale and disposition of energy; and authorizing the issuance of not to exceed \$110 million in bonds for acquiring the Chouteau steam plant and constructing and improving electric generation and transmission facilities. This legislation was requested by Governor Raymond Gary in his January 8, 1957, message as a means of enabling the Authority to construct the Markham Ferry Dam. Involved in its passage was a controversy over a proposed power-exchange contract between the Authority and Public Service Company. (H.B. 863, a companion bill, died in the House.)

- Power Advisory Committee - S.J. Res. 46, approved June 1, 1957, establishes an Advisory Committee to advise the Authority and the Governor on any contracts made with a privately owned public utility; and states the intention of the Legislature that no contract be made until after investigation and recommendation by the Committee.

Water Resources and Conservation - H.J. Res. 502, approved March 28, 1957, adopts a basic water policy for the State, dealing with priority of water uses, ground, surface, and appropriative public water rights and the protection thereof, and preservation of natural resources; recommends establishment of a Water Resources Board.

- S.B. 138, approved May 2, 1957, establishes a seven-man Water Resources Board, appointed by the Governor, to take over the water control powers previously vested in the Planning and Resources Board and generally to plan and arrange for development of water services by others.

- S.J. Res. 41, approved and effective May 29, 1957, directs the Water Resources Board to conduct a continuing study of the State water laws and of changes required to carry out the policies of H.J. Res. 502 (above), and to make recommendations and prepare legislative proposals and file same with the Legislative Council.

Failed

Electric Cooperative - Continued Service in Areas Annexed to Municipalities - S.B. 207, died in Senate, and H.B. 842, died in House, would have authorized rural electric cooperatives to continue electric service in areas annexed to or incorporated within cities, towns, or villages with populations in excess of 1,500 persons provided such service was being furnished at the time of annexation or incorporation and the areas were "rural areas" as defined in the Rural Electric Cooperative Act at the time service was commenced. The bills died in committee after attempts to compromise failed. The cooperatives had offered to accept amendments allowing municipal utilities to take over cooperative facilities in annexed areas upon payment of their tangible and intangible worth but allowing cooperatives to continue service in areas annexed to municipalities in which private utilities held a franchise upon payment of all taxes, fees, and assessments paid by the utilities.

Ground Water Law - S.B. 199, died in Senate, would have enacted the Oklahoma Ground Water Law of 1957, declaring a State policy relative to the use and conservation of ground water, and placing ground water under regulation by the Oklahoma Planning and Resources Board.

Electrical Wiring - Licensing and Inspection - S.B. 426, died in Senate, and H.B. 1043, died in House, would have established an Electrical Inspection Department in the office of the State Fire Marshal, authorizing him to adopt and enforce rules and standards for electrical installations, to license electrical contractors and journeymen, and to establish an inspection system, and prohibited installations except by licensed electricians, exempting wiring by an owner in his own residence.

Electrification and Telephone

Enacted

Utility Relocation - Reimbursement - S.B. 65, approved and effective April 12, 1957, amends 39 O.S. 1955 Supp. Sec. 46.4, by providing that where construction of the Interstate Highway System occasions any relocation of utility facilities on either public or private rights-of-way, the cost of removal or relocation may be paid from Federal funds and where such construction is within the limits of cities or towns having population of 5,000 or more, the city or town shall furnish the matching funds; elsewhere the State to pay such cost when Federal-aid funds are available therefor.

City-County Planning and Zoning - Metropolitan Areas - H.B. 905, approved and effective May 31, 1957, authorizes the establishment of a Metropolitan Area Planning Commission in certain designated counties with authority to adopt a metropolitan comprehensive plan including the indication of areas and patterns for utility facilities.

Chattel Mortgages - S.B. 301, approved June 7, 1957, amends 46 O.S. Sec. 61, by authorizing the County Clerk to destroy chattel mortgages which become invalid under the provisions of this section and have been invalid for 2 years or more.

- H.B. 778, approved June 7, 1957, also amends 46 O.S. Sec. 61 by exempting from the renewal affidavit requirement provided therein mortgages or deeds of trusts covering real or personal property used in the conduct of the business of a public service corporation provided the outside cover of the instrument is stamped as required in this section.

TelephoneEnacted

Certificate of Convenience and Necessity - S.B. 388, approved and effective May 28, 1957, amends 17 O.S. Secs. 131, 132, 133, by requiring telephone companies, including cooperatives, to obtain certificates of convenience except for extensions in territory already served or territory contiguous thereto as shown on exchange area maps filed with Corporation Commission; prohibits duplicate certificate except where service is refused or is inadequate; authorizes Commission to vacate unserved or inadequately served areas and declare them open; prescribes certificate procedures.

Failed

Rural Telephone Service - S.B. 319, died in Senate, would have required telephone companies operating in cities or towns to furnish adequate telephone service to unserved areas located between such cities or towns from the exchange located in the city or town which is the economic and social center of such unserved area; provided, upon failure to give service when petitioned by 10 percent of inhabitants of such area, company may be compelled to do so or forfeit its right to do business in the State; and where a company fails to develop an assigned area or to permit another telephone company to do so within six months, provided for forfeiture of such area.

Disclosure of Conversations - S.B. 207, passed Senate, died in House would have provided for the payment of damages of not less than \$5,000 for divulging of the contents of messages or conversations by telephone company agents or employees.

Uniform System of Accounts - H.B. 791, died in Senate, would have amended 17 O.S. Sec. 154 to direct the Corporation Commission to require all telephone companies within its jurisdiction to adopt and use the FCC Uniform System of Accounts.

1957 Oregon Legislation - Final Report
Session: January 14 to May 21, 1957

Governor's Message

The following excerpt is from the January 14, 1957, inaugural address of Governor Robert D. Holmes:

"Public Power

". . . Research has pointed out, and we should recognize, that most of our new employment opportunities in the Northwest were due directly or indirectly to low-cost power--sold at Bonneville industrial rates. Nothing is changed. It is still true. But we have no reserve supplies of kilowatts to recharge our economy.

"We must give every encouragement to our congressional delegation to urge immediate construction of John Day Dam. And a full control program calls for construction of big upstream storage projects such as Hells Canyon. Oregon needs all the benefits from comprehensive use--flood control, year-round navigation, improved fish propagation, and additional low-cost power.

"Because the Northwest governors' power policy committee has not been sympathetic toward these objectives, I see no purpose in continuing Oregon's representation in it.

"Because the Interstate Compact does not serve the purposes outlined, I see nothing for Oregon to gain in further attempts to develop it.

"Because of our common interests in this field, I intend to meet in the very near future with the Governor of our sister State, Washington, to discuss joint action to meet the pressing problems of river development. Both of us, I am sure, will work with the other States of the Northwest and with Canada to promote maximum development. Nor would I want to neglect the smaller dams of Green Peter, Cougar, and Hills Creek, in our own Willamette Basin. These should go forward at once.

"Our greatest opportunity today lies in converting the multiple waste of floods and unused power to multiple use for jobs and income.

"Industrial development can be encouraged for Oregon by low-cost power, a healthy labor and consumer market and by a healthy tax structure."

Legislative Program

Electrification

The Oregon Rural Electric Cooperative Association sponsored legislation to protect the service areas of electric cooperatives from entry by electric public utilities (see H.B. 534) and to amend the exemption provision of the corporate excise tax law to remove the requirement that mutual or cooperative electric companies be of "purely local character" (see H.B. 320).

(Note: An interim tax committee created by the 1955 legislature held extensive hearings on the tax status of electric cooperatives and voted that no changes be recommended to the legislature.) The Association also supported legislation creating a State Power Commission (see H.B. 780).

ORECA considered but took no action on the following subjects: (a) merger of rural electric cooperatives, and (b) authorizing a cooperative to convert to a municipal corporation.

Electrification and Telephone

In cooperation with the Oregon Association of Agricultural Cooperatives the ORECA lent support to development, introduction, and enactment of a revised Cooperative Corporations Act (see S.B. 5).

Telephone

REA telephone borrowers drafted and sponsored legislation to provide for the imposition of a gross earnings tax on rural telephone exchanges in lieu of ad valorem taxes (see H.B. 709).

Legislation Considered

Electrification

Enacted

Corporation Excise Tax - Exemptions - H.B. 320, approved June 7, 1957, Chap. 553, amends ORS 317.080, relating to corporations exempt from the 4 percent corporation excise tax by including "mutual or cooperative electric companies" and striking the phrase "of a purely local character." These amendments are made applicable to all taxable years ending on and after August 3, 1955. (This legislation was sponsored by ORECA to clarify the excise tax exemption of cooperatives. The Tax Commission had held that

cooperatives were not eligible for exemption because they were not of "purely local character" where they served consumers in several counties).

Taxation - Cooperative Electric Systems - H.B. 242, approved June 12, 1957, Chap. 637, effective January 1, 1958, amends ORS 308.805, 308.810 and 308.820, relating to the taxation of mutual or cooperative electric systems to restrict application of the 2 percent gross earnings tax to "transmission and distribution lines" which are defined to include "all property that is energized or capable of being energized or that supports or is integrated with such property. This includes substation equipment, fixtures and framework, poles and ~~fixtures~~ thereon, conductors, transformers, services, meters, street lighting equipment, easements for rights-of-way, generating equipment, communication equipment, transmission lines leased to governmental agencies, construction tools, and materials and supplies." The act provides that the State Tax Commission shall assess for ad valorem taxation all the real and personal property of such association.

People's Utility Districts - S.B. 140, approved May 20, 1957, Chap. 334, amends ORS 261.305, 261.335, 261.365, and 261.435 relating to people's utility districts concerning issuance of revenue bonds; waiving requirement of competitive bids for electrical equipment; extending life of revenue bonds; and compensation of directors.

Municipal Utilities - Payment in Lieu of Taxes - H.B. 554, approved June 12, 1957, Chap. 649, amends ORS 307.090 to provide that any city may agree to make payments in lieu of taxes to a school district for electric property located outside the city limits and within such school district.

Hydroelectric Projects - H.B. 761, approved June 7, 1957, Chap. 581, amends ORS 543.280 relating to hydroelectric projects, to provide for scale of fees to be paid by applicants for licenses.

Electrical Installations - S.B. 465, approved June 4, 1957, Chap. 429, amends ORS 479.440 requiring electric installations to bear labels indicating compliance with State electrical code and prescribes fees therefor.

Klamath River Basin Compact - S.B. 20, approved April 17, 1957, Chap. 142, ratifies the Klamath River Basin Compact entered into by the States of California and Oregon, providing for the development and use of the waters of the Klamath River, including generation of hydroelectric power.

Columbia River Interstate Compact - S.J.Res. 38, filed in office of Secretary of State May 15, 1957, provides that the Interstate Cooperation Commission of Oregon shall continue its study and review of the Columbia Interstate Compact and report to the next session of the Legislature. (S.B. 90 providing for ratification of the Columbia Interstate Compact was considered but was substituted by S.J. Res. 38).

Power Operations - State of Oregon - Constitutional Amendment - S.J. Res. 40, filed in office of Secretary of State June 3, 1957, proposes an amendment to Sec. 2, Article XI-D of the Constitution to be submitted at the next regular general election, empowering the State of Oregon to control, develop, and sell water, thermal, and nuclear power. The State would be authorized to sell electrical energy on a wholesale basis and permitted to make direct sales to industries using load limits of 10,000 kilowatts or more.

Hydroelectric Projects - John Day Dam - H.J. Mem. 1, filed in office of Secretary of State March 25, 1957, memorializes the Congress to appropriate funds to complete planning and begin construction of the John Day Dam on the Columbia River.

- Green Peter Dam - S.J. Mem. 6, filed in office of Secretary of State April 12, 1957, memorializes the Congress to appropriate funds to complete planning and begin construction of the flood control and hydroelectric facilities of the Green Peter project on the Middle Fork of the Santiam River.

Idaho Power Company - Accelerated Depreciation - Hells Canyon Dams - H.J. Mem. 18, filed in office of Secretary of State May 27, 1957, memorializes Congress to repeal the 1951 accelerated depreciation law.

Failed

Cooperative Service Areas - Protection - H.B. 534, passed House, died in Senate committee. As introduced the bill would have prohibited public utilities from serving areas or premises being served by REA-financed electric cooperatives except on court order based on a finding that service is inadequate or rates are excessive and provided for court enforcement of its provisions. The bill was passed by the House on May 6 by vote of 43 to 9 after having been amended to (a) apply the prohibition against cooperatives as well as utilities, (b) prohibit service to premises within 1,000 feet of existing facilities, and (c) give the Public Utility Commissioner instead of the courts jurisdiction over transfer of consumers and enforcement of the act. (As originally introduced

this bill was drafted and sponsored by the Oregon Rural Electric Cooperative Association. It was designed to prevent construction of duplicating facilities by private utilities into cooperative served territory to serve desirable power loads which have developed as a result of expanding suburban communities and industrial relocations. ORECA also prepared an amended version for consideration by the House Committee on Commerce which would have prohibited utility service to premises already served or within 5,000 feet of an existing line with enforcement by the Public Utility Commissioner. Utility officials suggested a substitute proposal modeled after the act passed by the Idaho legislature this year. The bill as amended and passed by the House incorporated some provisions from the various suggested amendments. In the Senate it was referred to the Judiciary Committee which voted 5 to 3 to table the bill).

State Power Commission - H.B. 780, passed House, died in Senate, would have created the State Power Commission consisting of 3 elected members with authority to construct and operate hydro-electric generating plants and transmission lines and to sell or dispose of electric energy on a wholesale basis. The Commission would also have been given authority to regulate the resale rates of electric energy sold by non-regulated distributors. (This bill was supported by the Oregon Rural Electric Cooperative Association).

Taxation - Mutual or Cooperative Electric Systems - H.B. 155, killed in House committee, would have amended ORS 308.810, 308.815, and 308.820, and repealed 308.805, to require submission by mutual or cooperative electric systems of both ad valorem tax data and gross earnings data. (The bill was introduced at the request of the Legislative Interim Tax Study Committee. It is reported to have been designed to "expose" the tax advantage accorded electric cooperatives under the provisions of the gross earnings tax. This bill was opposed by the Oregon Rural Electric Cooperative Association).

People's Utility Districts - Exemption from Corporation Excise Tax - S.B. 91, died in Senate, would have amended ORS 317.080 to add people's utility districts to the list of organizations exempt from the corporation excise tax.

- Revenue Bonds - S.B. 147, killed in Senate committee, would have amended ORS 261.355 and 261.375 relating to issuance of revenue bonds by people's utility districts by eliminating requirement of election for issuance of revenue bonds.

- S.B. 146, passed Senate, died in House committee, would have amended ORS 261.335

and 261.375 relating to issuance of revenue bonds by people's utility districts to permit issuance of revenue bonds, without holding an election, in amounts up to 10 percent of amount outstanding at beginning of calendar year.

Public Utilities - Construction Contracts - S.B. 289, died in Senate committee, would have required public utilities to submit to the Public Utilities Commissioner plans and specifications for all construction, the estimated cost of which is not less than \$25,000. The Commissioner would have been authorized to issue an order allowing the public utility to invite bids and proposals and to review and approve the award of contract.

Upper Columbia River Basin Commission - H.B. 284, died in House committee, would have created the Upper Columbia River Basin Commission to study and confer re public development in basin.

Hells Canyon Dam - Federal Construction - H.J. Mem. 2, passed House, killed in Senate, would have memorialized the Congress to authorize Federal construction of the Hells Canyon Dam on the Snake River.

Electrification and Telephone

Enacted

State Tax Commission - Property Assessment - Ad Valorem Taxes - H.B. 381, approved June 13, 1957, Chap. 711, effective January 1, 1958, amends ORS 308.505, 308.510, 308.515, 308.520, 308.525, 308.560, and 308.565, dealing with the assessment for ad valorem taxation of property of electric and telephone companies, including electric and telephone cooperatives, people's utility districts, and cooperative telephone districts, by specifically including vehicles, merchandise, tools, equipment, machinery, franchises, and special franchises, work in progress, and all other goods and chattels. Under ORS 308.515(5) a company generating electricity primarily for its own use but which makes incidental sales of its surplus electricity is not considered to be an electric company subject to assessment.

Cooperative Corporations Code - S.B. 5, approved June 13, 1957, Chap. 716, effective January 1, 1958, revises and reenacts Oregon laws relating to cooperative corporations. (This act was supported by the Oregon Rural Electric Cooperative Association which successfully sponsored an amendment to require a vote of two-thirds of all members for the sale of all of an electric or telephone cooperative's assets).

Unclaimed Property - Escheat - S.B. 100, approved June 13, 1957, Chap. 670, enacts the Uniform Disposition of Unclaimed Property Act which contains provisions for escheat of funds held by utilities and of cooperative dividends or distributions.

Public Utility Commissioner - H.B. 746, approved June 10, 1957, Chap. 599, amends ORS 756.550, relating to the powers and duties of the Public Utility Commissioner to permit the entering of an interim order, subject to judicial review, in connection with any hearing before the Commissioner.

Failed

Utility Relocation - Reimbursement - S.B. 343, died in Senate committee, would have provided for payment by the State Highway Commission of the costs of relocation of public utility facilities necessitated by the construction of Federal-aid highways.

Utilities - Property Assessment - S.B. 199, died in Senate committee, would have amended ORS 308.232, to provide that "all utility properties as defined in ORS 308.505 to ORS 308.660, shall be assessed at a ratio of 30 percent higher than that applied to all other classes of property."

- S.B. 312, killed in Senate committee, would have amended ORS 308.505 relating to the assessment by the State Tax Commission of designated utilities and companies by including the term "true cash value" of property of utility companies subject to jurisdiction of Public Utility Commissioner.

Trust Deeds - S.B. 172, vetoed June 13, 1957, related to trust deeds and included provisions concerning procedure for foreclosure of trust deeds by advertisement and sale without suit and the effect of such foreclosure, in lieu of judicial foreclosure, on redemption rights and deficiency judgments.

Telephone

Enacted

Rural Telephone Exchanges - Taxation - H.B. 709, approved June 11, 1957, Chap. 628, provides that telephone companies having one or more rural exchanges may elect to pay a 6 percent gross earnings tax in lieu of ad valorem taxes. The act is limited to telephone companies having less than 10,000 subscribers. (This bill was drafted and sponsored by REA telephone borrowers. As originally

introduced it would have provided for payment of a 5 percent gross earnings tax. This was amended by the House committee after being advised that the average ad valorem taxes paid by all utilities in the State amounted to approximately 6 percent of all gross receipts).

Emergency Calls - Party Line Telephones - H.B. 748, approved June 10, 1957, Chap. 601, makes it a misdemeanor to refuse to relinquish a telephone party line when needed for an emergency call and requiring notice of these provisions to be published in all telephone directories.

Failed

West Coast Telephone Company - Investigate Rates and Service - H.J. Res. 34, killed in House committee, would have created an interim legislative committee to investigate the operations of the West Coast Telephone Company "including but not limited to such matters as rates, capital structure, service, and equipment."

1957 Pennsylvania Legislation - Final Report
Session: January 1 to June 20, 1957

NOTE: Joint Resolution 5, enacted by the 1955-56 session of the Pennsylvania General Assembly proposed an amendment to Section 7, Article 16 of the Pennsylvania Constitution to delete the requirement that stock indebtedness of private corporations may not be increased without stockholder's consent at meeting held after 60 days notice. This amendment was adopted at the election held on November 6, 1956. (See S.B. 689, below).

Legislative Program

Electrification

The Pennsylvania Rural Electric Association considered sponsorship of legislation dealing with the protection of cooperative consumers and territory. Upon request, REA furnished Association's Counsel with legislative background on this subject. With this information he prepared a draft of bill which was submitted to REA for review and comment. After further consideration the Association decided against seeking legislation on this subject and are resolving territorial and service dispute problems through mediation.

The Association sponsored legislation establishing the Pennsylvania Power Authority (see S.B. 548) in order to have machinery available for the marketing and distribution of hydroelectric power to be made available from the Niagara power project. (The New York State Power Authority was authorized to construct this project by Federal legislation, Public Law 85-159, approved August 21, 1957).

Telephone

No legislative program was undertaken by REA telephone borrowers in Pennsylvania.

Legislation Considered

Electrification

Failed

Pennsylvania Power Authority - S.B. 548, died in Senate, would have created the Pennsylvania Power Authority to promote water power resources and to insure distribution of electric energy at lowest possible cost and encourage most widespread use; to study availability of electric energy, including atomic energy, and transmission and wheeling arrangements; to construct transmission facilities and issue bonds therefor; to be tax exempt. (This bill was sponsored by the Pennsylvania statewide association primarily to establish an agency for disposal of Niagara power).

Atomic Energy - Regulation - S.B. 11, passed Senate, died in House, would have established a policy of State cooperation in the civilian atomic energy program and of State regulation conforming as nearly as possible with the Federal Atomic Energy Act of 1954 and provided for the appointment of a Coordinator of Atomic Development Activities.

Electric Light Plants - Boroughs - H.B. 648, passed House, died in Senate, would have prohibited the sale or lease of borough owned electric light plants without a majority vote of the electorate.

Electrification and Telephone

Failed

Utility Relocation - Reimbursement - H.B. 984, vetoed July 16, 1957, would have provided reimbursement for relocation of utility facilities occasioned by Federal-aid highway construction.

Public Utility Commission - Bureau of Investigation - S.B. 427, died in Senate, would have created within the Public Utility Commission a Bureau of Investigation with authority to conduct field investigations at the premises of public utilities.

- Utility Rate Changes - H.B. 1217, died in House, and S.B. 733, died in Senate, would have amended the provisions of the Public Utility Law relating to the holding of hearings in connection with voluntary changes in rates by a public utility.

- Utility Rates - Court Review - H.B. 1216, died in House, and S.B. 732, died in Senate, would have amended the Public Utility Law to authorize courts to review commission findings on valuation and rates.

- Definition of "Fair Value" and "Accrued Depreciation" - H.B. 1215, died in House, and S.B. 734, died in Senate, would have amended Public Utility Law definitions of accrued depreciation and fair value and provided for rate determination on basis of fair return on fair value.

- Rate Cases - Notice to Consumers - H.B. 1324, died in House, would have required notice to consumers in certain cases and authorized consumer-committee representation before the Public Utility Commission with the costs to be paid by the public utility if the committee participation contributed to the determination of the issues.

- Dealers in Utility Franchise - S.B. 12, died in Senate, would have amended the Public Utility Law to regulate the business of dealing in utility franchises.

Public Utilities - Labor Disputes - S.B. 657, died in Senate, and H.B. 1023, died in House, would have established procedure for the settlement of labor disputes in public utilities.

Junk Dealers - Records - H.B. 1463, died in House, would have required junk metal dealers to keep certain records.

Unclaimed Property - Escheat - S.B. 819, died in Senate, would have amended act relating to the escheat to the State of unclaimed property by changing definitions and provisions relating to reports.

Public Service Companies - Taxation of Real Estate - H.B. 46, died in House, would have amended act relating to assessment for taxation in counties of fourth to eighth classes inclusive by including all real estate owned by public utilities.

- H.B. 48 and H.B. 265, died in House, would have amended General County Assessment Law to include all real estate owned by public utilities.

Telephone

Enacted

Corporation Charters - Amendment - H.B. 909, approved June 14, 1957, Act 164, amends the Corporation Amendment Act of 1883 relating to amendment of charters to extend the term of existence of a corporation or the territory in which it operates.

Corporations - Articles of Incorporation - H.B. 910, approved June 14, 1957, Act 169, authorizes corporations subject to the Corporation Amendment Act of 1883 to restate their articles of incorporation in their entirety.

- Indebtedness - S.B. 689, approved July 11, 1957, Act 371, amends the act of February 9, 1901, to provide for increasing the capital stock and indebtedness of corporations, by changing the prescribed manner of increasing capital stock and indebtedness of corporations. The amendment eliminates the requirement of giving stockholders sixty days notice prior to any meeting at which such increase is to be voted and authorizes the board of directors by majority vote to increase the indebtedness of the corporation without securing the consent of the stockholders unless otherwise provided in the articles of incorporation or bylaws.

Telephone Calls - Unauthorized Charges - H.B. 415, approved July 8, 1957, prohibits charging telephone calls to another person without authorization.

Failed

Telephone Party Lines - Subscriber Limit - H.B. 459, died in House, would have prohibited a telephone company from providing or offering telephone service on a party line which serves six or more subscribers.

1957 Rhode Island Legislation - Final Report
Session: January 1 to May 3, 1957

Legislative Program

Electrification and Telephone

No REA borrowers in Rhode Island.

Legislation Considered

Electrification and Telephone

Failed

Utility Relocation - Reimbursement - S.B. 252, vetoed May 13, 1957, related to reimbursement of the cost of relocation of utility facilities incident to the construction or improvement of highways subject to the Federal-aid highway act.

Telephone

Enacted

Party Line Telephone - Emergency Use - H. 1046, approved and effective May 6, 1957, Chap. 3917, amends Chapter 612, General Laws, by adding Sec. 63 making it a misdemeanor to refuse to relinquish the use of a party line telephone or a public telephone booth in the event of an emergency.

1957 South Carolina Legislation - Final Report
Session: January 8 to June 21, 1957

(The General Assembly of South Carolina meets in two annual sessions. The first session of the legislature convenes in the odd-numbered years. Legislation introduced in the first session and not finally disposed of may be considered during the second session which meets in the even-numbered years. The second regular session of the current General Assembly will convene on January 14, 1958.)

Legislative Program

Electrification

For a number of years the South Carolina Electric Co-operative has given consideration to the problems connected with continuance of cooperative service in non-rural areas. These problems have arisen where areas served by borrowers have been incorporated into municipalities or where the population of municipalities served by cooperatives exceeds 2,500. Legislation on this subject has been sponsored in previous sessions but failed of enactment. The State Association arranged for the drafting of a new bill which provides that cooperatives may continue to serve areas which lose their rural character and where required permits the exchange of cooperative facilities in certain areas for facilities of municipal or private utilities in rural areas. The comments and views of REA on this proposal were requested and furnished to the State Association. (See H. 1641.)

Telephone

REA telephone borrowers sponsored local legislation to exempt property of rural telephone cooperatives in Colleton County from taxation (see S. 32) and general legislation exempting property of rural telephone cooperatives from taxation (see S. 83).

Legislation Considered

Electrification

Enacted

Electric Power - Taxation - H. 1287, approved June 12, 1957, (General Appropriation Act) amends Sec. 65-901, Code of South Carolina, 1952, to provide that after June 30, 1958, "no generation or sales tax shall be assessed or collected from any person on account of the generation or sale of electric power to or for industrial customers by such person in excess of the amounts of electric power generated for and/or sold to industrial customers by such person during the corresponding months of

the State's fiscal year 1957-58, but all sales to and generation of electric power to or for any class of customers other than industrial customers shall continue to be assessed and taxed as in this article provided."

Pending

Rural Electric Cooperative Act - Powers of Cooperative - H. 1641, pending in the House Military, Public and Municipal Affairs Committee, amends item (1) of Sec. 12-1025, Code of South Carolina, 1952, relating to the powers of rural electric cooperatives, so as to allow such cooperatives to continue to exercise certain functions in areas which cease to be rural areas; to pay fixed sums in lieu of taxes and license fees to certain cities and towns; and to provide for the sale of certain electric facilities by rural electric cooperatives, and by other suppliers of electric energy under special conditions. (This bill is sponsored by the South Carolina Electric Co-operative. No action was taken by the Committee during the 1957 session. Hearings have been scheduled to be held early in the 1958 session.)

South Carolina Public Service Authority - Directors and Advisory Board - H. 1202, pending in the House Judiciary Committee, amends Sec. 59-2, Code of South Carolina, 1952, relating to directors and advisory board of S. C. Public Service Authority, to provide that Advisory Board meet with the Board of Directors at least once every three months and give advice and recommendations and that no member of the General Assembly be eligible for appointment as General Manager or Director of the Authority.

H. 1798, pending in the House Judiciary Committee, is same as H. 1202, except for the addition of provisions changing the manner of appointment of the members of the board of directors.

Electric Power Rates - Investigation - S. 161, pending in Senate Finance Committee, is a resolution establishing a committee to investigate (a) rates charged by power companies and (b) operating expenses which are included as part of the rate base.

Radiation Control - S. 405, passed Senate May 23, 1957, provides for the control of radiation from machines and radioactive materials for the purpose of protecting health.

Hartwell Dam - Appropriations - H. 1155, pending in House Judiciary Committee, is a concurrent resolution memorializing Congress to provide funds for construction of Hartwell Dam on Savannah River.

Telephone

Enacted

Rural Telephone Cooperatives - Property Tax Exemption - S. 83, approved April 11, 1957, Act 263, amends Sec. 65-1522, Code of South Carolina,

1952, relating to the exemption of certain property from taxation by adding provisions exempting property of rural telephone co-operatives organized under Chapter 13, Title 12 of the Code of South Carolina, 1952. Telephone service rendered to residents within the corporate limits of any city or town shall be subject to taxation by such city or town. The exemption is made applicable to "all rural party telephone lines and instruments constructed since March 29, 1945, serving party line customers and used in the transmission of messages, conversation or other means of communication by means of electricity over rural lines; but this exemption shall extend only to county and school taxes".

Colleton County - S. 32, approved February 13, 1957, Act 43, exempts from county and municipal taxes all property of any non-profit rural telephone cooperative in Colleton County in existence or to be organized under the provisions of Chapter 13, Title 12, Code of South Carolina, 1952. The provisions of the act are made applicable to the year 1956.

1957 South Dakota Legislation - Final Report
Session: January 8 to March 8(9), 1957

Legislative Program

Electrification

The South Dakota Rural Electric Association at its annual meeting November 29-30, 1956 adopted a resolution requesting the Congress to enact legislation to provide for unified administration of the Missouri Basin water resources "to the extent that the maximum amount of electric power and energy may be developed." In this connection they sought support of the South Dakota legislature (see H.C.R. 2, below).

Telephone

The South Dakota Rural Telephone Association at its annual meeting on December 10, 1956 considered a number of proposals submitted by their legislative committee and agreed to sponsor a bill to prohibit the obstruction of emergency telephone calls on party line telephones (see H.B. 762, below).

Legislation Considered

Enacted

Missouri River - Water Resources - H.C.R. 2, adopted by the legislature, requests the Interior and Public Works Committees of the United States Senate "to instigate investigation in the use of waters stored in South Dakota under the Flood Control Act of 1944." (Similar resolutions adopted in Montana and North Dakota.)

Radiation - Regulation - H.B. 826, approved March 18, 1957, authorizes the State Department of Health to adopt rules and regulations relating to the determination and control of radiation and the hazards connected therewith and to provide for inspection and enforcement.

Failed

Electrical Licensing and Inspection - H.B. 1002, died in House, would have provided for licensing of electrical contractors and electricians; established a State Electrical Board; provided for inspection of electrical installations; established standards for electrical wiring and permitted exemption of wiring of homestead by owner provided he complied with standards.

Electrical Contractors - Bond - H.B. 738, died in House, would have repealed Chap. 31.04B, Supplement to the S.D. Code, 1939, requiring a \$1,000 State bond for electrical contractors.

Public Utilities Act - H.B. 1039, died in House, would have given the South Dakota Public Utilities Commission jurisdiction and supervision over electric utilities.

Electrification and Telephone

Failed

Cooperative Corporations - S.B. 175, died in House committee, would have prohibited cooperative corporations or associations from deducting membership fees or dues from the distribution of net proceeds of such corporation or association to its stockholders, members or non-member patrons.

- S.B. 176, died in House committee, would have required the distribution in cash of cooperative net proceeds.

- S.B. 210, died in House committee, would have imposed a tax on cooperative net income - 5% on the first \$25,000; 25% on net income in excess of \$25,000. (These bills were opposed by the South Dakota rural electric and rural telephone associations.)

Utility Relocation - Reimbursement - H.B. 855, died in House, would have authorized the State Highway Commission to reimburse utilities for the cost of relocation of facilities necessitated by Federal-aid highway construction.

Telephone

Failed

Telephone Party Lines - Emergency Calls - H.B. 762, vetoed February 28, 1957, would have made it a misdemeanor to refuse to relinquish a party line telephone when needed for an emergency call or to falsely state that the telephone is needed for an emergency. (This bill was sponsored by the South Dakota Rural Telephone Association.)

Cooperative Associations - Removal of Officers - H.B. 621, died in House, would have amended Sec. 11.1106 S.D. Code of 1939, relating to cooperative associations and the removal of officers or directors by providing that a majority of the stockholders shall have the power at any regular or special meeting to remove any officer or director.

1957 Tennessee Legislation - Final Report
Session: January 7 to March 22, 1957

Legislative Program

Electrification and Telephone

The Tennessee Rural Electric Cooperative Association, Inc. joined with other interested utility groups in sponsoring legislation to reimburse utilities for the cost of relocation of facilities occasioned by Federal-aid highway construction (see H.B. 438 and S.B. 383).

Legislation Considered

Electrification

Enacted

Atomic Energy - Development - H.B. 1028, approved March 28, 1957, Chap. 323, declares a policy of State cooperation in the civilian atomic energy program and of State regulation conforming as nearly as possible to the Federal Atomic Energy Act of 1954; prohibits nuclear operations except as licensed or permitted by AEC; directs various State departments to study need for laws or regulations dealing with nuclear operations; and authorizes the Governor to appoint the Tennessee Advisory Committee on Atomic Energy to co-ordinate studies and regulatory activities.

Utility Districts - Management Study - S. J. Res. 75, approved March 29, 1957, instructs the Legislative Council to make a study of utility district management and to recommend to the next General Assembly necessary modification of law so as to allow public participation in the selection of utility district commissioners.

Failed

Utility Districts - Operation in Fringe Areas - S.B. 485, died in Senate and H. B. 501, died in House, would have allowed utility districts to operate in fringe areas of municipalities; county judge to hear petition and give permission to operate, unless municipality gives assurances that it will furnish service within 90 days.

Electrification and Telephone

Enacted

Utility Relocation - Reimbursement - S.B. 575, approved March 14, 1957, Chap. 170, provides for the relocation of utility facilities,

when necessitated by Federal-aid highway projects, and the payment of the cost of such relocation by the State as a highway construction cost with reimbursement from Federal funds as provided in the Federal-Aid Highway Act of 1956. With respect to utility relocations on projects in the Interstate System of Highways, Sec. 1 provides that the utility involved is entitled to reimbursement from the State for the costs incurred upon presentation of supporting evidence unless the State performs the relocation work. Sec. 2 provides that utility relocation resulting from construction of a project on the Federal-aid primary or secondary systems of highways is reimbursable only upon a finding by the Commissioner of Highways and Public Works that such costs if paid by the utility would result in undue hardship on the utility by substantially impairing its financial structure or requiring its rates to be increased. Sec. 3 provides for arbitration in the event of disagreement as to costs under Sec. 1 or whether utility claim should be paid under Sec. 2. (H.B. 703, same as S. B. 575, died in House. S. B. 383 and H. B. 438, both replaced by S. B. 575, would have authorized the Department of Highways and Public Works to reimburse utilities for relocation of facilities necessitated by Federal-aid highway construction involving the primary or secondary systems or the interstate system.)

(Note: The constitutionality of Chap. 170 has been challenged in a suit filed on August 6, 1957, in the Davidson County Chancery Court by the Attorney General of Tennessee in behalf of the State Highway Commissioner. The suit was brought against Southern Bell Telephone and Telegraph Co. It alleges that Southern Bell entered into a contract with the State Highway Department on February 17, 1941, "under which it agreed to remove and relocate its facilities at its own expense, but it now refuses to honor its contract and to abide by the terms and conditions of its agreement". Earlier the Attorney General had advised the Highway Commissioner that the reimbursement law was unconstitutional because it conflicts with a section of the State constitution providing that the credit of the State shall not be "loaned or given to or in aid of any corporation, association, company, corporation or municipality, nor shall the State become an owner in whole or in part of any bank, or a stockholder with others in any association, company, corporation or municipality".)

Telephone

Enacted

Utility Assessments - Public Service Commission - H.B. 676, approved March 20, 1957, Chap. 256, amends Sec. 67-931, relating to Public Service Commission assessments, to be certified to cities and towns. (S.B. 554, same as H.B. 676, died in Senate.)

Failed

Telephone Rate Base - H.B. 387, withdrawn March 29, 1957, would have provided that rate base upon which any public utility, subject

to jurisdiction of Public Service Commission, is entitled to a return shall be determined to be amount prudently invested in plant and equipment.

- H.B. 388, died in House committee, would have required telephone companies to report all income from directory publication and advertising to the Public Service Commission; income so reported to be considered for rate making purposes.

Telephone Companies - Hours for Women Employees - S.B. 528 and H.B. 663, both died in committee, would have permitted Commissioner of Labor to declare emergency and Governor to suspend provisions of Sec. 50-718 relating to hours of labor for women in telephone companies.

Public Service Commission - Investigations - H.B. 505, died in committee, would have required public utilities to pay the expenses of investigations by the Tennessee Public Service Commission.

1957 Texas Legislation - Final Report
Session: January 8 to May 23, 1957

Legislative Program

Electrification

Texas Electric Cooperatives sponsored legislation amending the 1937 Electric Cooperative Corporation Act so as to offset the adverse effects of the February 1957 decision of the Texas Supreme Court which would have prohibited cooperative service to premises in rural areas owned by residents in urban areas, to premises in areas annexed to municipalities upon disposition thereof by the member-consumer to a non-member, and to premises in municipalities having population of over 1,500 which were not already being served by the cooperative (see H.B. 547, below).

Telephone

No legislative program was developed by telephone borrowers in Texas.

Legislation Considered

Electrification

Enacted

Electric Cooperative Corporation - Service in Areas Which Lose Their Rural Character - H.B. 547, approved May 23, 1957, and effective August 21, 1957, Ch. 290, amends Article 1528 b, the Electric Cooperative Corporation Act, by authorizing electric cooperatives (1) to furnish service to any dwelling, structure, apparatus, or point of delivery located in rural areas as defined in the Act which is not receiving central station service; (2) to continue service to any dwelling, structure, apparatus, or point of delivery located in an area which is annexed to an incorporated city or town which is receiving service from a municipal or public utility, provided cooperative service was being furnished service on the date of annexation, and to render a new service therein only if it is not available from the municipal or public utility; and (3) to serve any premises in any incorporated or unincorporated city or town in which central station service was not available when the cooperative commenced service. The act limits membership in a cooperative to persons eligible to receive cooperative service as prescribed by the act. As enacted, the law included amendatory provisions which were vigorously but unsuccessfully opposed by the cooperatives. (S.B. 312, a companion bill, passed the Senate with amendments, died in House.)

Municipal Utility Bonds - Refunding - S. 245, approved and effective May 16, 1957, Ch. 229, authorizes incorporated cities or towns having outstanding bonds secured by a pledge of utility revenues to issue refunding bonds at the same or lower rate of interest.

Electrification and Telephone

Enacted

Utility Relocation - Reimbursement - H.B. 179, approved May 31, 1957, effective August 21, 1957, Ch. 300, provides for reimbursement from the State Highway Fund for the cost of relocation of utility facilities necessitated by the improvement of highways which are part of the National System of Interstate and Defense Highways, including extensions thereof within urban areas, provided such relocation is eligible for Federal participation.

Securities Act - S.B. 294, approved May 21, 1957, and effective August 21, 1957, Ch. 269, repeals and replaces Securities Act and Insurance Securities Act with a new Securities Act regulating the sales of securities.

Failed

Utility Relocation - Reimbursement - H.B. 432, died in House, would have provided for reimbursement by the State of the cost of utility relocation necessitated by the improvement of any highway established as part of the Federal-aid Primary or Secondary System or the National System of interstate and defense highways, including extensions within urban areas.

- S.B. 185, died in Senate, would have required political subdivisions of the State to bear the cost of relocating facilities made necessary by relocation of highway or utility facilities.

Public Utilities Commission - H.B. 357, died in House, would have established a Public Utilities Commission to regulate telephone, gas, and electric utilities, exempting consumer's cooperative societies or associations and municipal utilities.

- H.B. 395, died in House, would have established a Rural Public Utilities Commission to regulate rural rates and services of telephone, gas, and electric utilities, exempting consumers cooperative societies or associations and municipal utilities.

Telephone

Enacted

Business Corporation Act - Amendment - S.B. 129, approved April 10, 1957, and effective August 21, 1957, Ch. 54, amends the Texas Business Corporation Act (Ch. 64, Acts 1955) in respect to signature and contents of share certificates, agreements restricting share transfer, shareholder's voting at election of directors, contents of articles of incorporation, paid-in capital prior to transacting business, sale of assets, rights of dissenting shareholders, and withdrawal by foreign corporations.

Failed

Telephone Rates in Rural Areas - Regulation - H.B. 118, died in House, would have authorized the Railroad Commission to regulate rates charged by telephone companies to patrons in rural areas and imposed a tax of 1/4 of 1 percent of the gross income within the State to meet the expenses of administration.

1957 Utah Legislation - Final Report
Session: January 14 to March 14, 1957

Legislative Program

Electrification

No legislative program was undertaken by REA electrification borrowers in Utah.

Telephone

Utah telephone borrowers undertook sponsorship of legislation to reduce their property taxes. REA was consulted in this connection and background information regarding tax experience of borrowers in other States was furnished. (See H.B. 109.)

Legislation Considered

Electrification

Failed

Licensing - Electricians, Installations - S.B. 63, died in House, would have amended Title 58, Utah Code Annotated 1953, to provide for licens- of electrical contractors, electrical workmen, and electrical inspec- tors, and establishing electrical standards for workmanship and ma- terials.

Electrification and Telephone

Enacted

Utility Relocation - Reimbursement - S.B. 7, approved March 4, 1957, Chap. 53, effective May 14, 1957, authorizes Road Commission to order relocation of utility facilities and provides for Commission to re- imburse utilities, including cooperatives, for the cost thereof. (Note: In an opinion issued June 27, 1957, the Attorney General of Utah advised the State Road Commission to disregard the utility relo- cation act until it is tested in the courts because it may be uncon- stitutional. He stated that the act is "in possible conflict with State constitutional provisions forbidding the State to lend its credit to private firms.")

Unclaimed Property Act - S.B. 77, approved March 7, 1957, Chap. 6, effective May 14, 1957, enacts the Uniform Disposition of Unclaimed Property Act which includes provisions for escheat of unclaimed util- ity deposits and refunds and unclaimed cooperative dividends and dis- tributions.

Failed

Tax Returns - Cooperatives - H.B. 125, died in House, would have amended Title 59, Utah Code Annotated 1953, to require cooperatives and other tax-exempt corporations to file franchise tax returns for informational purposes.

Telephone

Enacted

Taxation - Non-Profit Telephone Cooperatives - H.B. 109, approved March 14, 1957, Chap. 24, effective May 14, 1957, enacts Sec. 16-6-17, Utah Code Annotated 1953, to provide that "property of cooperative non-profit telephone corporations organized under this Chapter and financed pursuant to the United States Rural Electrification Act of 1936, as amended, shall not be valued for the purpose of ad valorem taxation in excess of \$10.00 times the number of circuit miles of line constituting the telephone system." (This legislation was sponsored by cooperative borrowers. They were supported in their efforts to secure its passage by various farm organizations.)

1957 Vermont Legislation - Final Report
Session: January 9 to July 2, 1957

Legislative Program

Electrification

Borrowers in Vermont sponsored legislation to protect cooperative service areas from encroachment by other utility organizations. (See S. 60.) In cooperation with municipal utilities they co-sponsored legislation dealing with the distribution, in Vermont, of hydroelectric power from the St. Lawrence Seaway project. (See S. 72.)

Telephone

No legislative program was undertaken by REA telephone borrowers in Vermont.

Legislation Considered

Electrification

Enacted

Cooperative Service Area - Protection - S. 60, approved and effective May 7, 1957, Public Act 149, states "It is hereby declared to be the policy of the State that the public interest requires that the public be protected from overlapping conditions which would lead to unnecessary duplication of service and economical waste in the distribution of electric energy." The act prohibits municipal, cooperative, and private utilities from serving premises already served except with written consent of the supplier or from extending new electric service to premises nearer the facilities of another supplier except on Public Service Commission finding of inadequate service or unreasonable rates. All disputes are to be resolved by Commission.

(This legislation was sponsored by the Vermont cooperatives. It was sought as a result of a territorial dispute involving the service area of Vermont Electric Cooperative. Citizens Utilities Company made efforts to serve a new ski development located in the cooperative's service area. The cooperative appealed to the Public Service Commission which after some negotiation established a policy along the lines of the above act. The legislature in passing this bill legalized the policy of the Commission.)

Failed

Public Service Commission - Transmission and Sale of Electric Energy - S. 72, killed in Senate, would have authorized the Public Service Commission to acquire and construct transmission facilities for the receipt and delivery of power from the New York State Power Authority and

to acquire property and issue bonds. It also established the St. Lawrence Power Advisory Council with members to be nominated by private, municipal, and cooperative utilities. The council would have consulted with the Public Service Commission on all matters pertaining to the handling of St. Lawrence power.

(This bill was sponsored and supported by the electric cooperatives, farm and labor organizations.)

- Transmission of St. Lawrence Power - J.R.S. 23, killed in Senate, and J.R.H. 38, withdrawn from House, would have required that contracts for transmission of St. Lawrence power be submitted to legislature for ratification before taking effect.

Public Service Companies - Retail Merchandising - S. 85, killed in Senate, would have prohibited public service companies from engaging in the retail merchandising business and required companies presently engaged in such business to conclude same within one year from passage of act.

Electrification and Telephone

Enacted

Mortgages - H. 149, approved April 10, 1957, Public Act 76, amends Sec. 8755 of Vermont Statutes, 1947, relating to mortgages, to provide for assignment of mortgages and rights of assignees.

Failed

Utility Relocation - Reimbursement - H. 118, withdrawn from House, would have provided for reimbursement for utility relocations occasioned by Federal-aid highway construction.

Public Service Commission - Election of Members - S. 3, killed in Senate, would have amended Sec. 9287, Vermont Statutes, 1947, to provide for the election of the members of the Public Service Commission by the Vermont legislature.

1957 Virginia Legislation

The Virginia Legislature meets in regular session in the even numbered years. No session was held in 1957.

1957 Washington Legislation - Final Report
Session: January 14 to March 14, 1957

Legislative Program

Electrification and Telephone

No legislative program was undertaken by REA borrowers in Washington.

Legislation Considered

Electrification

Enacted

Power Resources Division - Department of Conservation and Development - S.B. 281, approved and effective March 26, 1957, Chap. 284, creates the Division of Power Resources in the Department of Conservation and Development. All records of the Washington State Power Commission are transferred to the new Division which is directed to continue studies in the field of power generation. A five man advisory committee made up of representatives of the power industry from different geographical areas of the State is established to consult with and advise the director of the Department of Conservation and Development.

Public Utility Districts - Joint Operating Agency - Washington State Power Commission Abolished - S.B. 280, approved and effective March 26, 1957, Chap. 295, provides for the abolition of the Washington State Power Commission and amends the joint operating agency law by extending to any joint operating agency the former powers and restrictions of the State Power Commission. Chap. 43.52 RCW relating to operation of a joint operating agency is amended by addition of provisions concerning: the formation and duties of an executive committee of the board of an operating agency; the handling of funds; issuance of revenue bonds; entering into contracts for the purchase, interchange or wheeling of power, etc. (H.B. 65, similar to S.B. 280, died in committee.)

- Utility Property - Joint Ownership - S.B. 361, approved March 26, 1957, Chap. 287, authorizes cities and towns, and public utility districts to jointly own, operate, and maintain electric utility properties for the generation and transmission of electric power and energy. (This act is reported to have been passed for the purpose of permitting the City of Seattle and Pend Oreille FUD to construct and operate a generating plant on the Pend Oreille River.)

Steam Generating Plant - Construction - H.B. 47, approved March 26, 1957, Chap. 275, provides for the appropriation of \$275,000 to the Washington State Power Commission or its successor agency (see S.B. 280, above) for paying the cost of engineering, financial, economic and legal studies incident to the undertaking of a plant or plants for the generation of electricity by steam. The director of conservation and development is directed to continue a study begun in 1956 as to the feasibility of a steam electric generating plant (Cle-Elum-Roslyn plant) and to proceed with its construction. Should any utility or agency demonstrate their intent to build this plant they shall be given first opportunity. If the plant is to be constructed by the State provision is made for the financing and construction of the plant. (S.B. 195, same as H.B. 47, died in committee.)

Public Utility Districts - Payments to School Districts - H.B. 22, approved March 20, 1957, Chap. 137, establishes procedure by which added cost payments will be made to school districts by Public Utility Districts constructing hydroelectric generating plants, for instruction of construction workers' children.

- Handling of Funds - S.B. 277, approved March 20, 1957, Chap. 140, amends public utility district law to provide method whereby PUD may designate a treasurer other than the county treasurer as custodian of PUD funds and increases annual maximum for per diem allowances for each commissioner from \$2,500 to \$3,500.

- Distribution of Taxes - H.B. 489, approved March 9, 1957, Chap. 278, amends Secs. 54.28.010 to 54.28.080 RCW, by revising the distribution procedure of PUD taxes to local taxing districts.

Atomic Energy - Coordination and Regulation - H.B. 3, approved March 13, 1957, Chap. 92, declares a policy of State cooperation in the civilian atomic energy program and of State regulation conforming as nearly as possible to the Federal Atomic Energy Act of 1954; prohibits nuclear operations except as licensed or permitted by AEC; directs various State departments to study need for laws or regulations dealing with nuclear operations; and authorizes the Governor to appoint a Coordinator of Atomic Development Activities to coordinate the studies. (S.B. 343, similar to H.B. 3, died in committee.)

Failed

Electrical Construction - Regulation - H.B. 365, died in House, would have provided for regulation of outside electrical construction under jurisdiction of department of labor and industries.

- H.B. 113, passed House, died in Senate, would have repealed the electrical construction code.

Electricians Licensing - H.B. 215, passed House, died in Senate, would have amended and added to Chap. 19.28 RCW relating to electricians and electrical installations.

Public Utility Districts - Financing - H.B. 546, passed House, died in Senate, related to methods of financing public utility districts and would have authorized short-term borrowing from local banks.

Municipal Utilities - H.B. 578, passed House, died in Senate, and S.B. 391, died in Senate, related to municipal utility services outside city limits.

- S.B. 265, died in Senate, would have authorized cities owning and operating public utilities having facilities for the generation, transmission, or distribution of electricity located in any county, including the county in which the city is located, to contribute to the support of the county governments of such county.

Electric Utilities - Unfair Practices - H.B. 542, died in House, related to advertising expenditures of corporations supplying electrical power or services to the public and would have prohibited certain unfair practices.

- H.B. 543, died in House, related to production and distribution of electrical power and prescribing unfair practices in relation thereto.

Electrification and Telephone

Failed

Utility Relocation - Reimbursement - H.B. 381, died in House, would have provided for payment by State of cost of relocation of utility facilities made necessary by Federal-aid highway construction.

Non-Profit Corporations - Merger - S.B. 103, died in Senate, related to mergers of non-profit and non-stock corporations.

Telephone

Failed

Telephone Rates - S.J. Res. 26, died in Senate, would have provided for an investigation of intrastate telephone rates.

1957 West Virginia Legislation - Final Report
Session: January 9 to March 11, 1957
First Special Session: August 5, 1957

Legislative Program

Electrification and Telephone

No legislative program was undertaken by REA borrowers in West Virginia.

Legislation Considered

Electrification and Telephone

Failed

Utility Relocation - Reimbursement - S.B. 325, passed Senate, died in House, and H.B. 444, died in House, would have provided for reimbursement of utilities for relocating their facilities in connection with Federal-aid highway construction.

Public Service Commission - Rates - S.B. 71, died in Senate, related to procedure for changing rates by the Public Service Commission.

Public Service Corporations - Valuation - H.B. 213, died in House, would have amended Sec. 11, Art. 6, Chap. 11, Code of W. Va., to authorize the board of public works to assess and fix the valuation of public service corporations using a valuation set by the Public Service Commission for rate purposes.

Junk Dealers - Regulation - S.B. 53, passed Senate, died in House, and S.B. 52, died in Senate, would have provided for the regulation of junk or scrap dealers, requiring maintenance of records of purchases and sales with particular reference to traffic in copper wire and cable.

1957 Wisconsin Legislation - Interim Report
Session: January 9 to
(Legislature recessed from June 29 to September 23)

Legislative Program

Electrification and Telephone

No legislative program was undertaken by REA borrowers in Wisconsin.

Legislation Considered

Electrification

Failed

Atomic Energy - Study of Peaceful Use - A. 32, indefinitely postponed in Assembly, would have established committee on atomic energy made up of representatives of designated State agencies, to study and disseminate information concerning peaceful uses of atomic energy, to cooperate with Federal Government and other States, to regulate radioactive and nuclear materials, equipment; and appropriated funds for the committee.

Municipal Utilities - Mortgages - A. 317, indefinitely postponed in Assembly, would have amended Sec. 66.066(4) relating to municipal utility mortgages by providing for statutory lien in addition to pledge of earnings and authorized issuance of additional evidences of indebtedness.

Municipal Power Districts - S. 535, passed Senate, died in Assembly, would have authorized Public Service Commission to impose conditions required to make project feasible or to promote public interest in approving creation of municipal power districts.

Utilities - Local Taxation - S. 430, withdrawn from Senate, would have amended Sec. 76.02 to provide for local assessment and taxation of electric utility property of which at least 90 percent (instead of 100 percent) is located within a single town, village, or city.

Utility Contracts - S. 143, indefinitely postponed in Senate, would have created Sec. 196.523 requiring all contracts for public utility work in excess of \$500 to be let on bids.

Hells Canyon Dam - A.J. Res. 89, passed Assembly, died in Senate, would have memorialized Congress to enact legislation authorizing Federal construction of the multiple purpose Hells Canyon Dam project.

Electrification and Telephone

Enacted

Cooperative Association Act - Amendments - A. 687, approved July 29, 1957, Chap. 484, amends Cooperative Association Act to provide for reservation of cooperative name and for filing of restated articles; authorize waivers of notice to be signed at any time; and reinforces requirement of vote of three-fourths of members voting for dissolution.

Utility Right-of-Way - Abandonment - S. 497, approved August 15, 1957, Chap. 637, amends and adds to Sec. 196.81 directing the Public Service Commission in approving a request for abandonment of utility right-of-way to require removal of all electric and telephone poles at ground level and other structures extending over 3 feet above ground level. The Commission shall also require the utility to dispose of abandoned right-of-way located in rural areas within three years, which requirement may be waived in case of undue hardship on utility.

Public Service Commission - Report of Utility Accidents - S. 536, approved August 15, 1957, Chap. 649 amends Sec. 196.72 authorizing the Public Service Commission to require utilities to record or report all accidents (instead of fatal accidents only) and providing that the report shall only be for the use of the Commission and its staff.

- Operations - S. 22, approved August 6, 1957, Chap. 523 amends various sections of Wisconsin code relating to operations of Public Service Commission.

Deeds - Draftsman's Name - A. 90, approved May 6, 1957, Chap. 70 adds Sec. 59.513 to require the inclusion of the name of the draftsman on deeds and other instruments relating to real estate, and Sec. 59.57(1)(c) to provide that no additional recording fee be required for inclusion of name of draftsman; and amends Sec. 59.515 to provide that validity of any instrument in the office of register of deeds shall not be impaired if it does not comply with Sec. 59.513.

Utility Mortgages - A. 473, approved July 5, 1957, Chap. 334 amends Sec. 182.025 relating to trust deeds and mortgages of utility corporations and electric or telephone cooperatives, by requiring the recording of same in the county in which such corporations are located at the time of such recording, and by establishing criteria for determining the location of such corporations.

Failed

Utility Relocation - Reimbursement - A. 657, died in Assembly, would have amended Sec. 84.29(3) relative to building of national system of interstate highways to provide for reimbursement for utility relocation in connection with Federal-aid highway construction.

Public Service Commission - Membership - A. 681, indefinitely postponed in Assembly, would have amended Sec. 195.01 (1) to provide for 5 member (instead of 3 member) Public Service Commission with representatives of the public, farmers, small business, labor, and industry.

- Rate Hearings - S. 141 and A. 180, indefinitely postponed would have amended Sec. 196.20 (1) relating to public utility rate changes by providing for extending period of suspension of rate changes when additional time is required for preparation and presentation of evidence to the Public Service Commission.

Public Service Counsel - A. 563, indefinitely postponed in Assembly, would have created the position of people's public service counsel to represent the public in proceedings before the Public Service Commission.

1957 Wyoming Legislation - Final Report
Session: January 8 to February 16, 1957

Governor's Message

The following excerpt is from the January 9, 1957 message of Governor Milward L. Simpson:

"Other recommendations

"28. Give careful consideration to the adoption of an equitable tax law affecting REA."

Legislative Program

Electrification

The Wyoming Rural Electric Association sponsored legislation to provide for more equitable tax treatment of the property of electric cooperative associations. (See H.B. 55, below). From 1943 to 1955 the property of non-profit cooperative corporations or associations engaged in rural electrification within the State of Wyoming had been exempt from taxation. Legislation to continue this exemption for an additional 2 years failed in 1955 and the cooperatives were subjected to existing tax law which imposed a heavy financial burden. Efforts to secure administrative relief were not successful and the cooperatives decided to seek legislation.

Telephone

No legislative program was undertaken by REA telephone borrowers in Wyoming.

Legislation Considered

Electrification

Enacted

Electric Utilities - Property Tax Valuation - H.B. 55, approved and effective February 5, 1957, Chap. 49, relates to valuation of property of electric utilities for tax purposes and establishes a procedure for determining a "valuation adjustment factor" which shall be applied by the State Board of Equalization to the assessed valuation of personal property of each electric utility. The "valuation adjustment" factor is determined by dividing the "utility average of per mile revenue" (annual gross operating revenue divided by total number of miles of transmission and distribution lines for each utility) by the "state average of per mile revenue" (total gross operating revenues divided

by total mileage of transmission and distribution lines of all utilities in the state). The bill passed the House by vote of 48 to 8 and passed the Senate by vote of 24 to 1 after being amended to exempt any county in which less than 10% of the real property by area is assessed for advalorem taxation (Teton County). The House concurred in the amendment by vote of 45 to 0.

Failed

State Electrical Board - H.B. 60, died in House, would have created a State Electrical Board for the licensing of electrical contractors and electricians and provided for inspection of electrical installations.

Public Utilities - Merchandising - H.B. 148, died in House, would have prohibited electric and gas utilities from operating a retail or wholesale merchandising business.

Electrification and Telephone

Failed

Utility Relocation - Reimbursement - S.B. 25, vetoed March 2, 1957, would have authorized the State Highway Commission to order the relocation of utility facilities in connection with Federal-aid highway construction projects and provide for reimbursement of utilities for costs resulting therefrom.

N P

State legislation affecting the
REA program.
1957

HD9688.U5A4

